

Validation of Mauritania

Assessment of progress in implementing the EITI Standard

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Acronyms

AFS	Audited Financial Statements
ANARPAM	Agence Nationale de Recherches Géologiques et du Patrimoine Minier
ASGM	Artisanal and small scale gold mining
ASM	Artisanal and small scale mining
BO	Beneficial ownership
CSO	Civil Society Organisation
EITI	Extractive Industries Transparency Initiative
ESTMA	Extractive Sector Transparency Measures Act (Canada)
EUR	Euro (currency)
FNRH	Fonds National des Revenus des Hydrocarbures
GIZ	Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation)
GTA	Greater Tortue Ahmeyim (GTA) LNG project
MPME	Ministère du Pétrole, des Mines et de l'Energie
MR-EITI	Mauritania EITI
MRU	Mauritanian Ouguiya (national currency)
MSG	Multistakeholder group
PEP	Politically exposed person
QFE	Quasi-fiscal expenditure
RBL	Resource-backed loan
SMH	Société Mauritanienne des Hydrocarbures ; National oil and gas company of Mauritania
SNIM	Société Nationale Industrielle et Minière (SNIM) ; National mining company of Mauritania
SOE	State-owned enterprise
TMLSA	Tasiast Mauritanie Limited S.A.
USD	United States Dollar

Executive summary

This Validation report presents the findings of the International Secretariat's Validation of Mauritania, which commenced on 1st January 2024. The draft report was finalised for review by the multi-stakeholder group (MSG) on 14 June. Comments from the MSG were received on 31 July, and the Validation report was finalised on 26 August for consideration by the EITI Board. The assessment suggests that Mauritania has exceeded one EITI Requirement, fully met 18 and mostly met 10 requirements, with four requirements assessed as not applicable.

Key achievements

- The EITI in Mauritania (MR-EITI) enjoys high-level government support, has national relevance and the multi-stakeholder group (MSG) is well suited to take decisions to advance disclosures, further debate, deepen analysis and formulate recommendations. The process is well funded and hosts a well-staffed secretariat. The EITI is of strategic importance to the government in promoting investment in the mining sector and its budding oil and gas sector. Mauritania's achievements in publishing contracts is noteworthy.
- Mauritania has piloted an alternative approach to reporting for the past four reporting years and significantly improved the timeliness of its financial disclosures. Reconciliation is performed on a risk-based approach on the size of revenues contributed by the three main companies making payments to government. It has added a range of analysis on revenues and production and other macroeconomic indicators. The reports based on the pilot (2019-2022) are more succinct and stakeholders view that they are written in more accessible language, with recommendations going beyond technical recommendations on reporting. The Data warehouse developed with the support of GIZ is the key tool used to collect EITI data and has made data collection more efficient, leading to the publication of more timely data and reports. Every pilot report focuses on a different issue of and provides deeper analysis. Civil society in particular has noted that the past three EITI Reports have made the information more understandable and has built their understanding of the sector's governance and management.
- The MSG has used the EITI to explore what the development of the country's gas and green hydrogen sectors could mean for government revenues and provided recommendations for ensuring these burgeoning sectors are managed responsibly. EITI reporting has most recently also covered the artisanal and small-scale mining, both formalised and informal and there is interest in deepening the involvement of the regulator Maaden in EITI disclosures.

Areas for development

- The state-owned enterprises (SOEs) in the mining sector (SNIM) and oil and gas sector (SMH) continue to play key roles in the extractives sector and the country's economy. While SNIM is demonstrating good practice in routinely publishing its annual financial statements, more clarity is needed on its social expenditures, in particular to clarify those that could constitute quasi-fiscal expenditures. In July 2024 Société Mauritanienne des Hydrocarbures (SMH) published its financial statements via the EITI website. This SOE is likely to play a more prominent role as the large gas project Grand Tortue is expected to go online later in 2024. EITI reporting has not covered the pre-financing agreement and

public disclosures on the agreement fall short of providing the public of a clear understanding of the impact of the resource backed loan on future revenues, and how the agreement compares to conventional agreements.

- To strengthen governance of the emerging gas sector, more efforts are needed to ensure that license information is available routinely. The MSG should ensure that revenue disclosures cover full government extractives data, a clear description on the selection of material companies and disclosures are made on project-level, where applicable. With more revenues expected from the gas sector, the government should consider routinely publishing audit and management reports of the national oil fund, the Fonds National des Revenus des Hydrocarbures (FNRH). The MSG may wish to consider recommendations on strengthening the risk-based approach and on presentation of data through its data collection and disclosure platform, the 'data warehouse'.
- Five years ago, the MSG adopted a decree specifying its role and responsibilities in an EITI with systematically disclosed data¹, a first of its kind. While the decree has contributed to more timely data collection, the analysis of the data produced has been more limited and could merit more fruitful debate within the MSG prior to publication of the EITI Report. Building on its well-staffed national secretariat, the MSG should also consider adopting a more strategic and systematic approach on following up on corrective actions and recommendations emerging from implementation, which would allow the EITI to have more impact on public debate and the governance of the sector.

Progress in implementation

EITI Validation assesses countries against three components – “Stakeholder engagement”, “Transparency” and “Outcomes and impact”.

Stakeholder engagement

Stakeholder engagement from all constituencies remains high, and representation from government and companies are adequate to facilitate decision-making on disclosures and follow-up on recommendations. The government has established EITI focal points that are closely involved in EITI reporting and implementation. The largest companies are well engaged and communicate within their network. Civil society includes representatives from the mining regions and has benefitted from the EITI to build its understanding on how the sector is governed. This Validation has identified that the government has intervened in the nomination of CSO members during its most recent elections, which constitutes a concern that was raised from a core CSO group. The MSG meets regularly and documentation of MSG meeting minutes is public. Company and civil society members have noted that they consult their wider constituencies on key EITI products. All constituencies have noted that the pilot approach has led to more dynamic and animated discussions within the MSG.

Transparency

Mauritania has covered four fiscal years in pilot reports. All members of the MSG have confidence in this new approach and alternative to reporting, reconciling the three companies making the largest contributions to government revenues. There are opportunities to include further criteria in the risk-based approach. The platform 'data warehouse' has facilitated data collection and led to a very timely 2022 EITI Report. There are opportunities to strengthen the methodology and description of the selection of companies. The data published through the data

¹ See <https://eiti.org/fr/documents/decret-portant-divulgation-systematique-des-donnees-relatives-aux-industries-extractives>

warehouse, the revenue collection and publication tool would benefit of clearer descriptions on data quality. The published data on the platform should reflect the reconciled figures. .

More effort is needed to ensure that sound systems are in place to monitor and manage license allocations, and that these are put in place in time for licensing rounds in the oil and gas sector. Important strides have been made in the publication of mining contracts, which is noteworthy given the missing government policy requiring all contracts and licenses to be public. The current review of the mining code is an opportunity to codify current practice. All active oil and gas agreements have been published, including predating 2021. There has been an important effort from the secretariat and companies to publish some beneficial ownership (BO) data – there are opportunities however that the EITI follows up on the state of implementation of decree 2021-033 that required the establishment of a central beneficial ownership register as part of the commercial register. The MSG should also discuss the approach and published data.

EITI reporting references data on formal and informal artisanal gold mining (ASGM), a relatively recent feature of the Mauritanian extractives sector. Maaden, a government structure intervening substantially in the value chain of ASGM, should be closely reviewed in terms of the materiality and mandate to retain earnings, among others. Another government structure, ANARPAM, also participates in the value chain of the extractives sector as minority participant in licenses. EITI reporting could contribute to explain their mandate in view of those activities, and if they should be covered by EITI implementation. Further on SOE reporting, SNIM has kept a high degree of transparency on its disclosures. Questions remain regarding the quality of public works of many of its voluntary social expenditures, through the SNIM foundation. The MSG should closely review those in view of quasi-fiscal expenditures. On other SOEs, SMH has entered a resource-backed loan with BP and Kosmos. SMH may wish to join SNIM in its regular financial audited standards publication.

Outcomes and impact

Mauritania's EITI implementation showcases notable achievements in aligning with national priorities and promoting transparency. The 2024 work plan reflects extensive consultation with stakeholders, ensuring their priorities are integrated into the strategic framework. Structured work plans feature measurable activities, enhancing accountability and facilitating progress tracking. Notably, efforts focus on systematic data disclosure, capacity building, and addressing legal obstacles, underscoring a commitment to improving governance and accountability in the extractive industries. Despite the solid foundation, continuous follow-up on EITI recommendations remains ad-hoc, limiting the effective impact the EITI could have on shaping the sectors practices and laws. Progress reporting lacks a reflection on the outcomes and impacts of the carried-out activities, and how implementation could be adjusted to draw from lessons learnt and strengthen impact. Addressing these weaknesses by implementing continuous follow-up mechanisms, implementing the communication strategy consistently, and enhancing reporting frameworks can bolster the effectiveness and impact of EITI implementation in Mauritania, ultimately contributing to good governance of the extractive industries.

Validation scorecard

Component & module	EITI Requirement	Progress	Score
Overall score		Moderate	81/100
Outcomes and impact	Extra points: Effectiveness and sustainability indicators		2
	Work plan (#1.5)	Fully met	90 ↓
	Public debate (#7.1)	Fully met	90 =
	Data accessibility and open data (#7.2)	Fully met	90 =
	Recommendations from EITI (#7.3)	Mostly met	60 ↓
	Outcomes & impact (#7.4)	Mostly met	60 ↓
Outcomes and impact		Moderate	80
Multi-stakeholder oversight	Government engagement (#1.1)	Fully met	90 =
	Industry engagement (#1.2)	Fully met	90 =
	Civil society engagement (#1.3)	Mostly met	60 ↓
	MSG governance (#1.4)	Fully met	90 =
Stakeholder engagement		Moderate	82.5
Overview of the extractive industries	Exploration data (#3.1)	Fully met	90 =
	Economic contribution (#6.3)	Fully met	90 =
Legal and fiscal framework	Legal framework (#2.1)	Fully met	90 =
	Contracts (#2.4)	Fully met	90 -
	Environmental impact (#6.4)	Not assessed	- -
Licenses	Contract and license allocations (#2.2)	Mostly met	60 ↓
	License register (#2.3)	Mostly met	60 ↓
Ownership	Beneficial ownership (#2.5)	Mostly met	60 -
State participation	State participation (#2.6)	Mostly met	60 ↓
	In-kind revenues (#4.2)	Not applicable	- -
	SOE transactions (#4.5)	Fully met	90 =
	SOE quasi-fiscal expenditures (#6.2)	Mostly met	60 ↓
Production and exports	Production data (#3.2)	Fully met	90 =
	Export data (#3.3)	Fully met	90 =
Revenue collection	Comprehensiveness (#4.1)	Fully met	90 =
	Barter agreements (#4.3)	Mostly met	60 -
	Transportation revenues (#4.4)	Not applicable	- -
	Disaggregation (#4.7)	Mostly met	60 ↓
	Data timeliness (#4.8)	Exceeded	100 ↑
	Data quality (#4.9)	Fully met	90 =
Revenue management	Distribution of revenues (#5.1)	Fully met	90 =
	Revenue management & expenditures (#5.3)	Fully met	90 -
Subnational contributions	Direct subnational payments (#4.6)	Not applicable	- -
	Subnational transfers (#5.2)	Not applicable	- -
	Social and environmental expenditures (#6.1)	Fully met	90
Transparency		Moderate	80

How EITI Validation scores work

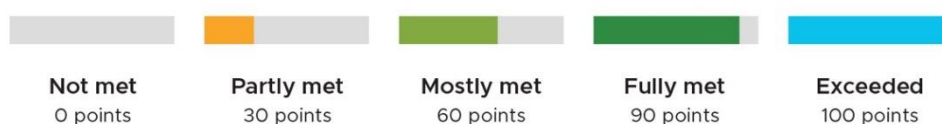
Component and overall score

The three components of EITI Validation – “Transparency”, “Stakeholder engagement” and “Outcomes and impact” – each receive a score out of 100. The overall score represents an average of the component scores.



Assessment of EITI Requirements

Validation assesses the extent to which each EITI Requirement is met, using five categories. The component score is an average of the points awarded for each requirement that falls within the component.



- **Exceeded** (100 points): All aspects of the requirement, including ‘expected’, ‘encouraged’ and ‘recommended’ aspects, have been implemented and the broader objective of the requirement has been fulfilled through systematic disclosures in government and company systems.
- **Fully met** (90 points): The broader objective of the requirement has been fulfilled, and all required aspects of the requirement have been addressed.
- **Mostly met** (60 points): Significant aspects of the requirement have been implemented, and the broader objective of the requirement is mostly fulfilled.
- **Partly met** (30 points): Significant aspects of the requirement have not been implemented, and the broader objective of the requirement is not fulfilled.
- **Not met** (0 points): All or nearly all aspects of the requirement remain outstanding, and the broader objective of the requirement is far from fulfilled.

The additional points related to the effectiveness and sustainability indicators are added to the score for the “Outcomes and impact” component. Where the evidence does not clearly suggest a certain assessment, stakeholder views on the issue diverge, or the multi-stakeholder group disagrees with the Secretariat’s assessment, the situation is described in the assessment.

1. Effectiveness and sustainability indicators

The country is awarded 0, 0.5 or 1 point for each of the five indicators. The points are added to the component score on Outcomes and impact.

1.1 National relevance of EITI implementation

This indicator considers the extent to which EITI implementation in Mauritania addresses nationally relevant extractive sector challenges and risks.

Mauritania EITI's work plans during the review period outline general objectives that align with national development priorities. Mauritania EITI's implementation addresses some nationally relevant issues within its extractive industry. For instance, in 2023, Mauritania EITI commissioned a [study on gas and green hydrogen](#). It also started monitoring revenues from major mining projects and their impact on domestic revenue mobilisation and has included data from the emerging ASM sector in its latest report. Additionally, it conducted a gender workshop and integrated support for a more equal gender representation in the extractives sector into its 2022-2023 work plan activities.

The Secretariat proposes that 0.5 additional points be added to the score on Outcomes and impact for this indicator.

1.2 Systematic disclosures of extractive industry data

This indicator considers the extent to which extractive sector data is disclosed systematically through routine government and corporate reporting.

Mauritania stands out as one of the few countries publishing extractive sector revenues through an online platform called "[Data Warehouse](#)". The data platform publishes data sets government revenues and payments from companies on an online platform hosted by the IT department of the government and is operated by Mauritania EITI Secretariat staff. The data submissions by reporting entities are uploaded by the national secretariat when the data is received before the Report is elaborated. The timeliness varies between 6 months to 12 months. Besides the Data Warehouse the Ministry of Finance, release [monthly financial statements \(TOEFL\)](#), supplementing existing publications such as annual budget laws and the final budget execution act. Management reports on the National Fund for Hydrocarbon Reserves (FNRH) are available, but the Secretariat faced difficulty accessing them on the [Treasury's website](#) (see *Requirement 5.1*). The mining SOE SNIM systematically discloses [audited financial statements](#) spanning from 2011 to 2022. The Ministry of Energy (Ministère du Pétrole, des Mines et de l'Énergie, MPME) systematically discloses the [license application procedure](#) as well as the [license cadastre for the mining sector](#).

The Secretariat proposes that 0.5 additional points be added to the score on Outcomes and impact for this indicator.

1.3 Environment for citizen participation in extractive industry governance

This indicator considers the extent to which there is an enabling environment for citizen participation in extractive sector governance, including participation by affected communities.

Within Mauritania's legal and regulatory framework for the extractive industries, there appear to be limited channels supporting citizen participation, particularly from affected communities, in decision-making processes. This observation finds support in international rankings of civic

space, such as the [2023 Freedom in the World report on Mauritania](#), which highlights that NGOs often face intimidation, violence, and repression in their activities. In 2021, Mauritania adopted a [new Law of Associations](#) to facilitate the creation and registration of organisations. However, the Interior Ministry can suspend associations without prior notice. Stakeholders have not provided perspectives on whether this new law has improved the operational environment for civil society or led to an increase in associations addressing extractive issues.

Article 18 of [the Environmental Framework Law N° 200045](#) (July 2000) stipulates that the approval of an Environmental Impact Assessment must be preceded by a public inquiry, allowing government bodies, relevant experts, and interested individuals or associations to provide feedback on the assessment. However, civil society members consulted noted that despite this provision, their requests to participate in site visits have not yet been approved. Civil society has not yet used EITI implementation to put forward this request for site visits or to review policies and practices. Furthermore, consultations revealed that the MSG has not been considered as a forum to consult in developing the new draft Mining Code.

The Secretariat proposes that zero additional points be added to the score on Outcomes and impact for this indicator.

1.4 Accessibility and use of extractive industry data

This indicator considers the extent to which extractive sector data is accessible and used for analysis, research and advocacy.

In Mauritania, extractive industry data is predominantly disclosed through [the ministry of petroleum, energy and mines website](#), the [mining cadastre](#), [EITI website](#), the [data warehouse](#) and its summary data submissions to the International Secretariat. Notably, the data warehouse provides open access to revenue data. Some contracts and beneficial ownership information are published on the EITI Mauritania website and the 2022 EITI Report data is available in open format. There is no online petroleum cadastre to date and legal owners are not yet disclosed through the company register (RCCM).

Some EITI data has been used to model future gas income in the gas sector in the context of the green hydrogen strategy, in a [study commissioned by EITI Mauritania](#). The Secretariat proposes that 0.5 additional points be added to the score on Outcomes and impact for this indicator.

1.5 EITI-related changes to extractive industry policy and practice

This indicator considers the extent to which EITI has informed changes in extractive sector policies and practices.

The International Secretariat identified one change in extractive industry policy resulting from recommendations from reporting, a new decree ([2023-048](#)) requiring companies holding mining extraction licences to disclose beneficial ownership to the cadastre. The introduction of the data warehouse as a data collection and publication tool has hastened revenue disclosures and resulted in companies and government entities submitting data more frequently (twice yearly) than previously.

The Secretariat proposes that 0.5 additional points be added to the score on Outcomes and impact for this indicator.

2. Outcomes and impact

This component assesses EITI Requirements 7 and 1.5, which relate to progress in addressing national priorities and public debate.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement
Work plan (Requirement #1.5) <i>Fully met</i>	<p>The International Secretariat's assessment is that Requirement 1.5 is fully met. In the previous Validation this requirement was assessed as exceeded due to the novelty of introducing impact assessment framework to the work plan. Most stakeholders met confirmed that they have been consulted during the preparation of the 2024 work plan and that this work plan addresses the national priorities. The Secretariat's view is that the objective of ensuring the annual planning for EITI implementation supports the implementation of national priorities for the extractive industries while laying out realistic activities that are the outcome of consultations with the broader constituencies is fully met.</p> <p>EITI Mauritania's work plans include objectives for EITI implementation linked to the EITI principles, steps to mainstream EITI implementation and to a lesser extent are linked to achieving national priorities. More specifically, the work plans reference the National Development Plan SCAPP for 2016-2030 (Stratégie de Croissance Accélérée et de Prosperité Partagée) as a basis for the objectives. The 2020 work plan includes a reference to the SCAPP informing the MSGs' identification of three strategic priorities. The first objective concerns ensuring systematic data disclosure and accessibility while the second objective aims to ensure the usefulness and use of said data and the third objective focuses on facilitating multi-stakeholder dialogue. The MSG's template confirms the alignment of the work plan with the national priorities as defined in the SCAPP. Beyond the SCAPP, the national anti-corruption strategy mentioned in the Government Action Plan (Plan d'Action du Gouvernement) and the mining strategy, could provide more (specific) orientation for the MSG to consider for future work plans.</p> <p>Only the latest EITI work plan for 2024 involved consultations with the different MSG constituencies and selected partners. Stakeholders from the MSG expressed that the work plan mostly reflected their priorities. The wider civil society stakeholders expressed that the work plan somewhat reflected their priorities. There are opportunities for all constituencies to more widely consult their broader constituencies during their review of the effectiveness of implementation and update of the work plan.</p> <p>The EITI work plans include measurable and time-bound activities to achieve the agreed objectives. For each objective, the work plan includes tables with columns on the expected outcome, the activity which will lead to the outcome, the responsibilities, timeframe, verification, verification source and the state of progress (completed, in progress, significant gaps, urgent action needed, in planning) as well as an activity monitoring schedule.</p> <p>The work plans include activities related to the scope of EITI implementation, including plans for strengthening systematic disclosures and capacity building</p>

	<p>for stakeholders in addition to addressing legal obstacles related to the disclosure of extractive companies' beneficial owners. The work plan's main objective is to strengthen the systematic disclosure of data from the extractive sector. They include plans for the set-up and maintenance of the Data Warehouse and reference an adoption of a systematic disclosure strategy dating back to 2018. The work plan includes several capacity-building activities for MSG members and other stakeholders and related ongoing activities related to addressing the beneficial ownership legal framework. The 2024 work plan includes a dedicated column to the source of funding as well as estimated cost for each activity in addition to a timetable for implementation.</p> <p>While some of the work plans have been published with delays including the work plan covering 2022-2023 which was published in December 2022, the 2024 work plan was adopted on 8 December 2023.</p>
<p>Public debate (Requirement #7.1)</p> <p><i>Fully met</i></p>	<p>The International Secretariat's assessment is that Requirement 7.1 is fully met, as in the previous Validation. The Secretariat views the objective of enabling evidence-based public debate on extractive industry governance through active communication of relevant data to key stakeholders in ways that are accessible and reflect stakeholders' needs as fulfilled in the period under review. Civil society in particular noted that since 2019, EITI Reports have become more comprehensible, contextualised and have built their capacity to understand the functioning of the sector.</p> <p>Since January 2020, Mauritania EITI has published four EITI Reports (spanning 2018-2022), available on its website. Stakeholders appreciate the analytical focus of the 2022 pilot reporting approach. A summary document of the 2022 report, containing key figures and recommendations, was made available on its webpage during the Validation period in French and Arabic. No other simplified communication products seem to have been produced since the previous Validation. A study on gas and green hydrogen commissioned by Mauritania EITI which demonstrates different revenue scenarios for the early years of expected production of the GTA field is a key product but does not seem to have been disseminated or followed up by the MSG. The 'Outcomes and impact' template refers to three news articles published by Agence Ecofin, taqas.net and Mines actu in 2023, two of them make use of EITI data. Neither source lists any articles from before 2023, limiting the availability of data available online to conclusively assess Mauritania's efforts to inform public debate in the period under review.</p> <p>Outreach events took place in the main mining region with representatives of the MSG and summary reports have been published in French and Arabic. Civil society highlighted the need to reinforce capacity-building efforts for their members to improve their understanding of the information and data from the reports, the data warehouse, which is why this requirement has not yet been exceeded. There is little evidence of substantive debate in the media on extractive sector governance issues that can be tied back to EITI outreach efforts.</p> <p>The pilot EITI Reports provide a more descriptive narrative of key developments and present data sets of potential interest to citizens, such as an analysis of tax contributions of the companies selected for reconciliation. Notwithstanding the 2022 EITI Report and synthesis publication in both French and Arabic, most written communication occurs in French, limiting accessibility for a predominantly Arabic-speaking population. The status of the implementation of a 2021 communications strategy is unclear. The MSG has</p>

	<p>addressed access challenges and information needs by providing training sessions discussing the results of the EITI Report to various groups across multiple regions. As such, sessions were conducted for community members, CSO representatives and local authorities in Akjoujt, Zouérate, Nouadhibou, Aleg, Selibaby, Kiffa, and Nema. Additional workshops were held at the Higher Institute of Accounting and Business Administration, the Faculty of Law and Economics, and the Faculty of Science and Technology to present report findings for a research audience. Furthermore, a session focused on gender implications for women in the extractives sector, and two workshops were dedicated to journalists.</p> <p>Annual progress reports emphasise dissemination campaigns in Mauritanian provinces. Throughout these campaigns, Mauritania EITI experts provided oral summaries of the reports, highlighting key figures and the extractive sector's contribution to the Mauritanian economy, followed by presentations from extractive companies. Attendees were given some opportunity for debate after the presentations. A podcast "Khaima" (Mauritanian tent) was mentioned as a main innovation in 2020, but no documentation of this podcast was provided for this Validation. In 2022, Mauritania EITI presented their latest report in the Mauritanides exhibition, an oil, gas and mining conference, and conducted dissemination campaigns in mining cities for the 2019 EITI Report. The numerous workshops (20 between January 2021 and December 2022), focus primarily on presenting report findings and the wider public does not yet seem to have taken notice of the availability of the data on the data warehouse.</p>
<p>Data accessibility and open data (Requirement #7.2)</p> <p><i>Fully met</i></p>	<p>The International Secretariat's assessment is that Requirement 7.2 is fully met. Although stakeholders did not express any particular opinion about the objective of this requirement, the Secretariat's view is that the objective of enabling broader use and analysis of information on the extractive industries through the publication of information in open data format has been fully met.</p> <p>In 2019, Mauritania adopted a decree mandating the systematic disclosure of EITI data, aligning with the open data definition of the Open Data Charter. The decree includes provisions on access, release, and reuse of EITI data, covering tax data and contextual information disclosed by companies and the government. Article 4 states that the information to be disclosed must be the information required by the EITI Standard according to the agreed scope of reporting. Mauritania EITI has prepared Summary data files for the 2019, 2020, 2021 and 2022 EITI Reports. These files are published on its website and have been submitted to the International Secretariat. The data in the tables of the 2022 EITI Report were published online.</p> <p>Mauritania EITI made EITI disclosures available in machine-readable, open-data format via its Data Warehouse portal. Revenue data and data on production and exports is available on the data warehouse, with data sets downloadable in CSV format and with data visualisations built in to illustrate trends in the data, such as on export. While these efforts are noteworthy, further efforts could be undertaken to allow to the data warehouse user to understand the source of the data, conditions for reuse² and how to operate filters to receive the desired result. The data warehouse downloads are not yet coded or tagged or interoperability, which is encouraged.</p>

² The passage in the mainstreaming decree citing the conditions for reuse is not reflected on the data warehouse website, which would make users aware of the policy.

Recommendations from EITI implementation (Requirement #7.3)	<p>The International Secretariat's assessment is that Requirement 7.3 is mostly met, which is a regression since the last Validation. Stakeholders consulted noted that recommendations from EITI reporting are discussed once at high-level when the report is launched and then summarised and discussed when the following report is being elaborated. Consultations confirmed a rather ad-hoc nature of most follow-up and lack of systematic use of existing mechanisms, such as MSG meetings, to take stock of progress on prioritised recommendations. As such EITI process has stayed behind its potential in effectively contributing to policy-making and changes in governance practices, which is the underlying objective of this requirement. In its comments to the draft assessment, the MSG highlighted several aspects where the EITI has contributed to policy making and change in practices. Since the previous Validation concluded in December 2020, the EITI has participated in the elaboration of the country's new anti-corruption strategy³ and the new requirement to submit beneficial ownership information to receive an exploitation license from the directorate of mining. While recognising those impacts, the Secretariat remains of the view that the mechanism for follow-up must be operationalised to fully meet this requirement.</p>
<i>Mostly met</i>	<p>Stakeholders consulted explained that the MSG convenes annually for an inter-ministerial meeting after the dissemination campaign. Participants include the Prime Minister, the Minister of Petroleum, Energy and Mines, the Court of Accounts and the Minister of Environment and Sustainable Development. The MSG proposes an agenda, and the Mauritania EITI National Coordinator presents the latest EITI Report's recommendations. They then prioritise important recommendations, with each Minister addressing those under their Ministry's responsibility. There lacks an effective mechanism to ensure that the initial momentum is used to follow up on recommendations throughout the year. Moreover, the MSG established an ad-hoc committee tasked with monitoring recommendations' implementation during its meeting on 20 January 2020. Another ad-hoc meeting was held up to follow up on recommendations at the MSG meeting on 6 July 2024, as the MSG notes in its comments to the draft report. The meeting minutes note that there were no regular follow-up documentation of this committee due to the illness of key secretariat personnel. The COVID pandemic contributed to a disruption of the committee's meeting. This confirms the Secretariat's assessment that follow-up on recommendations has mainly been carried out in conjunction with the report elaboration by the Independent Administrator or through the ad-hoc committee established in January 2023 to prepare for Validation.⁴ As immediate outcome the ad-hoc committee prepared a document that includes the recommendations, level of prioritisation and status of key recommendations from the 2019-2022 reports, which is an important step to keep track and operationalise the recommendations in work plans. The resulting matrix, shared in the comments to the draft assessment, is an important step in the establishment of the follow-up mechanism. Stakeholders did not share particular opinions about this committee's output and the committee's meeting minutes have not been published. In its comments to the draft assessment, the MSG noted that the minutes prior to</p>

³ The strategy could not be found online (as of 14 August 2024) and it is not clear if the EITI's role has been in any way reflected in the strategy document, or if the EITI has been implicated in any way in the [work of the independent anti-corruption body created in 2021](#).

⁴ The minutes are published here under "Commission Ad-hoc sur la Validation": <http://cnitie.gov.mr/commissions-specialisees/>

	<p>2024 could not be published and has published the documentation starting with 2024 on its website.</p> <p>The 2024 work plan includes an objective of monitoring recommendations, but is not specific on what recommendations are prioritised, which makes the follow-up less actionable and less outcome oriented. Prior EITI work plans (2022-2023, 2021, 2018-2020) lack direct references to follow-up actions. MSG meeting minutes in the period under review primarily focus on the adoption of EITI Reports, dissemination campaigns, and reporting thresholds, with little attention to implementation activities and follow-up on EITI recommendations.</p>
<p>Review the outcomes and impact of EITI implementation (Requirement #7.4)</p> <p><i>Mostly met</i></p>	<p>The International Secretariat's assessment is that Requirement 7.4 is mostly met, which is a regression from the previous Validation. Stakeholders consulted did not express particular opinions regarding the objective of ensuring regular public monitoring and evaluation of implementation. The Secretariat's view is that the objective is not yet fully fulfilled given the lack of reflection on the actual outcomes and impacts achieved or a narrative on efforts to strengthen the EITI's impact and outcomes.</p> <p>Publication of annual progress reports has been consistent in the period under review, detailing the many outreach efforts undertaken. The annual review includes an overview of the results framework but lacks a narrative to comment on how far the outputs have led to the desired outcomes and impacts, and lessons learned for implementation going forward. The progress reports do not assess progress in meeting EITI Requirements, do not present or link to the MSG's responses or prioritisation of EITI recommendations. In its response to the draft assessment, the MSG pointed to a synthesis document containing the prioritisation of recommendations from reporting 2019-2022, as also noted under Requirement 7.3.</p> <p>During the review period, Mauritania EITI released three annual progress reports (APRs). With regards to wider consultations on progress in implementation of work plan activities, some stakeholders consulted confirmed that they had been consulted during the preparation of 2023 progress report. On gender balance efforts, most of the reviewed APRs detailed efforts to strengthen the EITI's impact. Gender considerations were incorporated in the and 2020 and 2021-2022 APRs, in which EITI Mauritania outlined plans to document a debate on the gender composition of the MSG and conducted a workshop on gender consideration.</p>
<p style="text-align: center;">New corrective actions and recommendations</p>	
<ul style="list-style-type: none"> • To strengthen implementation of Requirement 1.5, Mauritania is encouraged to conduct wider consultations with key stakeholders, including members of the broader government, industry and civil society constituencies. Mauritania is encouraged to further identify and outline plans to address any potential legal or regulatory obstacles to EITI implementation. • To strengthen implementation of Requirement 7.1, Mauritania is encouraged to build capacity of civil society actors and journalists on issues of public interest to enable more targeted outreach and better uptake of disclosures by the EITI for public debate on issues of interest to citizens. • To strengthen implementation of Requirement 7.2, Mauritania is encouraged to better describe the use of the data warehouse as a source for revenue, export and production data, to clearly state the source and quality assurances underlying the data, as well as data reuse license on its data warehouse. 	

- In accordance with Requirement 7.3, Mauritania EITI should ensure that the re-established committee to follow-up on recommendations ensures that the mechanism is effective in following up regularly on recommendations from reporting and Validation, and that the priority recommendations are adequately reflected in the work plan and in the review of outcomes and impact.
- In accordance with Requirement 7.4, the MSG should ensure that its annual review of progress includes a reflection on the actual outcomes and impact achieved and lessons learned from implementation that result from wider constituency consultations, so as to ensure that the review of implementation contributes to learning and strengthening the EITI's impact. The MSG is encouraged to take changes in the industry, upcoming reviews of legislation or other relevant developments into account when reviewing outcomes and impacts of EITI implementation activities.

3. Stakeholder engagement

This component assesses EITI Requirements 1.1 to 1.4, which relate to the participation of constituencies and multi-stakeholder oversight throughout the EITI process.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement
Government engagement (Requirement #1.1) <i>Fully met</i>	<p>The International Secretariat's assessment is that Requirement 1.1 is fully met, as in the last Validation. Most government officials consulted considered that the objective of full, active, and effective government leadership of the EITI process is fulfilled. The Secretariat views the objective as fulfilled during the period under review, given the government's high-level leadership and operational engagement in facilitating all aspects of EITI implementation.</p> <p>Throughout the period under review, senior government officials have consistently expressed their public support for the implementation of EITI. This was evident during the EITI Global Conference, where Prime Minister Mohamed Bilal Messoud emphasised the country's commitment to adopting and effectively implementing the EITI's requirements.</p> <p>In addition, Mauritania showcased its support for the EITI principles during COP 27 and COP 28 in Egypt and the United Arab Emirates, respectively. During both conferences, the Mauritanian government collaborated with the International Secretariat to organise events aimed at promoting the EITI.</p> <p>High-level government engagement and exposure to the EITI is secured once a year at an inter-ministerial committee meeting, according to the ‘Stakeholder engagement’ template, convening the Prime Minister, the Minister of the Economy, the Minister of Petroleum, the Minister of Finance, the Minister of the Environment, the Director of the Supreme Audit Institution, and the EITI. As such, the adequate representation of government representatives at the MSG and yearly high-level engagement constitute effective mechanisms for the government to take actions to overcome barriers to EITI implementation, but could be strengthened with a more effective mechanism for following up on recommendations the MSG prioritises, as noted in the assessment of requirement 7.3. The institutional structure for EITI implementation, with senior government representation on the MSG chaired by the adviser to the Prime Minister, Mr Mohamed Lemine OU, reflects high-level government engagement in the EITI process. His position at the Prime Minister's office allowed him to play a pivotal role with the different ministries and directorates involved in EITI implementation. The mobilisation of different ministries and timely data collection and resolution of EITI bottlenecks are good examples.</p> <p>The MSG appears to include appropriate representation from the government. Decree 2018-135 that established the MSG requires that the government constituency includes nine representatives, appointed <i>ex qualité</i>, which include one representative from the Prime Ministry, three representatives from the Ministry of Finances and Economy, two representatives from the Ministry of Petroleum Energies and Mines, one representative from the Ministry of Environment, one representative of the Directory of Relations with Civil Society, and one representative of the central bank.</p> <p>During the period under review, government officials' attendance at EITI events, including MSG meetings and its working sub-groups (committees), was consistent. According to the 'Stakeholder engagement' template and</p>

	<p>meeting minutes reviewed, six representatives participated in all MSG meetings, and three representatives participated in some meetings.</p> <p>Based on the review of EITI Reports, government agencies have consistently provided the required data collection and reporting templates in the Data Warehouse. They have also actively participated in the preparation of the ongoing Validation during the period under review.</p> <p>With regards to systematic disclosures, the ministries disclose updated and relevant information on their respective websites, including, among others, the legal and institutional framework governing the extractive sector or financial reports and notes linked to licensing procedures and contract transparency. During consultations government stakeholders noted their engagement in ensuring smooth reporting and that the standardisation of data submission has had a positive impact over the past years on the way information is managed. There are however little examples of use of EITI data by the government.</p>
<p>Industry engagement (Requirement #1.2)</p> <p><i>Fully met</i></p>	<p>The International Secretariat's assessment is that Requirement 1.2 is fully met, as in the last Validation. While most stakeholders consulted from the different constituencies considered that the objective of full, active and effective engagement in the EITI is fully met, they conceded that some companies are not fully engaged in the EITI process. The Secretariat's view is that the objective is fully met given that material companies participate in reporting and in outreach activities with the MSG.</p> <p>There are eight representatives of companies in the MSG, including three from the oil and gas sector and three from the mining sector, as well as two representatives from State-Owned Enterprises (SOEs). According to the MSG's 'Stakeholder Engagement' template combined with review of MSG meeting minutes, all six members attended most of the MSG meetings during the period under review, except for one representative (BP) who attended 'some' meetings.</p> <p>In relation to data submissions, the 2022 EITI Report stated that 11 companies were requested to provide their reporting templates in the data warehouse. However, only six of these companies submitted their payments to the platform. After consulting with stakeholders, it was determined that, while the main extractive companies are actively involved in the EITI process, other companies are not sufficiently engaged as they don't report. The company constituency is currently working to engage with these companies. A few non-material companies are also reporting their payments in the platform. Nevertheless, despite the existence of provisions in the systematic disclosure decree that require companies to disclose their EITI data on their websites, it seems that none of the companies has published their payments on their own websites in addition to reporting them to the Data Warehouse.</p> <p>Regarding the participation of companies in EITI activities, consulted company representatives confirmed their participation in the preparation of work plans and progress reports during the period under review. Companies were also consulted during the preparation of the work plan and progress reports and also participated in the dissemination activities of the 2020-2021 EITI Report, according to the 'Stakeholder engagement' template. The template further confirms that the companies were actively involved in the ad hoc committee on Validation and participated in the process of preparing for Validation. The participation of the country manager of MCM in a workshop on gender equity in the extractive sector, which was funded by USAID in December 2023, is also documented.</p> <p>Regarding systematic disclosure, SNIM's website has been providing comprehensive disclosures of its audit reports since 2011, as well as annual and corporate responsibility reports (CSR) reports since 2020. These reports include updated information on the company's main projects, production, and social and environmental activities. However, other companies either have</p>

	<p>limited disclosures on their websites with a few exceptions, such the disclosure of the operating contract of KOSMOS Energy and BP in the latter's website. Moreover, no company is currently publishing its EITI data on its website despite provisions (Article 6) of the systematic disclosure decree adopted in 2019 that requires that reporting entities must publish their revenue data on their own website. It rather seems that the understanding is that this is achieved through submissions to the data warehouse.</p> <p>Regarding coordination within the broad constituency, consulted company representatives mentioned that coordination and exchanges occur through focal points who liaise between the constituency and the MSG via email. Additionally, they have created a WhatsApp group that includes all members, both MSG and non-MSG companies, for this purpose. While the minutes from the 2019 constituency meeting indicated that the constituency agreed to meet quarterly, there are no records of the minutes from these meetings. EITI Mauritania published the minutes of the 2023 meeting in which the new company MSG members were elected. In addition, stakeholders consulted mentioned that the two state-owned enterprises (SOEs) do not attend industry constituency meetings, but they do attend government constituency meetings. However, they are part of the WhatsApp group created for coordinating the actions of the company's constituency.</p> <p>The company constituency has a code of conduct that also defines the nominations procedure. Based on reviews of documentation and information from consultations the secretariat concludes that the appointment of industry MSG members was open, fair and transparent, and the procedure was adhered to. consulted company stakeholders unanimously agreed that there is a supportive legal and regulatory framework for company participation in all aspects of the EITI process, and there are no barriers to their engagement in the process.</p> <p><u>Documentation of presence of EITI supporting companies in Mauritania</u></p> <p>Six EITI supporting companies are operating in Mauritania: Bp, Shell, KOSMOS Energy (but no material payments), TotalEnergies, Kinross through its subsidiary Tasiast Mauritanie Limited S.A. and Glencore, who buys iron ore from the SOE SNIM. Of those, BP and TotalEnergies are members of the MSG. BP, Shell, TotalEnergies and Tasiast are reporting companies. KOSMOS holds a participating interest in the GTA field and has provided prefinancing with BP to SMH. All companies report, except for Kosmos, which is not the main operator, hence does not make payments and is not required to report, and Glencore, who trades SNIM's production, and is not required to report either. Glencore publishes some trading data (see assessment of Requirement 4.2).</p>
<p>Civil society engagement (Requirement #1.3)</p> <p><i>Mostly met</i></p>	<p>The International Secretariat's assessment is that Requirement 1.3 is mostly met, which represents a regression from the previous Validation. The Secretariat's view is that the objective of full, active, and effective civil society engagement is only mostly fulfilled given that several members of the civil society constituency have not attended MSG meetings in the period under review. Those members were also absent during the Validation consultations. Other civil society members on the MSG agree with this conclusion and have asked for those seats, assigned to two organisations by decree, to be reassigned. The Secretariat notes that no breaches of the EITI protocol: Participation of civil society have been observed and that there was a sufficiently enabling environment for civil society participation. In its comments to the draft assessment, the MSG shared the meeting minutes of civil society noting the definitive list of their eight constituency members on the MSG. The Secretariat takes note of the list and the designation of civil society focal point, as well as the commitment of the members to fully engage in the MSG and effectively communicate with the wider constituency.</p>

	<p>Expression. Mauritania's international civic space rankings scores have improved since the previous Validation. Mauritania's Freedom House score improved from 32/100 (not free) in 2019 to 39/100 (partly free) in 2024, although CIVICUS has continued to rank Mauritania's civic space as 'repressed' throughout this period (since 2018). While Mauritania joined the UN Human Rights Council in February 2020, activists are still facing repressive laws on criminal defamation and blasphemy, which have been used by authorities to prosecute and jail human rights defenders, activists, journalists, and bloggers. With regards to the freedom of expression, RSF Mauritania's ranking has improved from 94th in 2019 to 86th in 2023. However, there are still indications that there are legislative and societal pressures that limit free speech. The country has implemented various laws that have the potential to restrict free speech, including the new cyber-crime law passed in 2020, the 2021 law on protection of national symbols, the 2010 Law on the Repression of Terrorist Acts, and provisions within the 2016 Penal Code that criminalise defamation and blasphemy. In practice, consulted stakeholders considered that journalists are rarely subject to physical harms, and the RSF website indicate that no journalist has been killed since at least 2018. CIVICUS cited few cases of journalist detention linked to freedom of expression and cyber crime, although most of those cases took place during or before the 2019 elections, prior to the period under review. Opinions of consulted Mauritanian civil society representatives were unanimous, asserting unhindered freedom of expression and the absence of self-imposed constraints due to fears of state retaliation. The Secretariat has not identified of any incidents or laws having affected civil society actors engaged in the EITI process or related to extractive industry issues.</p> <p>In terms of operation, Article 10 of the constitution guarantees freedom of association. This right has been confirmed in the new association law of 2021, which lifted restrictions imposed by the previous 1964 association law. CIVICUS mentioned in a report published in 2020 examples of cases where authorisation was denied or withdrawn, although these examples are not linked to the extractive sector and occurred before the publication of the new law. CSOs consulted and the MSG's 'Stakeholder engagement' template did not raise concerns about their freedom of operation or their ability to receive foreign funds. While the Secretariat recognises the existence of restrictions on freedom of operation linked to the former law on association law, most of the cases of denial or withdrawal of authorisation took place before the period under review and the publication of the new association law, and are not directly linked to activists involved in the EITI process or to those working on subjects linked to extractive industry governance.</p> <p>In terms of association, while article 10 of the Constitution guarantees this freedom, a CIVICUS report mentioned that public meetings are governed by the 1973 law on public meetings that stated (article 3) that authorities should be informed of the holding of any meetings, even when held on private premises. The CIVICUS report mentioned cases where the activists were jailed for organising non-authorized meetings or where foreign activists invited to participate to public events were denied entry. CSOs consulted did not raise concerns about their ability to cooperate and communicate with the broader constituency and organise public events. Nevertheless, they mentioned in the 'Stakeholder engagement' template that participation in dissemination activities and debates was limited to twenty participants per mining producing area. In terms of association of civil society members on extractives issues, a</p>
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	<p>group of 16 Publish what you pay (PWYP) associated members launched the GIP, meant to be an umbrella group representing Mauritanian civil society engaged on extractives issues in Mauritania. This umbrella structure adopted a code of conduct in 2016⁵. The membership of this group has remained unchanged over several years and does not seem to engage actively with other civil society groups or platforms. With regards to the platform of non-state actors, this platform was created in 1997 by the EU and includes a range of CSOs established within the country. While several CSOs consulted considered that those 'CSO-platform' representatives are independent from the government and companies, other CSOs considered that the representatives of the platform of non-state actors and linked to the government, and not independent civil society members. The members of the platform were selected by the Commission on Human Rights, linked to the Prime Minister's office. This opinion was not broadly shared by stakeholders consulted, many of whom considered that the role of the Commissioner on Human Rights plays a consultative role, and the choice of civil society representatives is made within the two civil society groups mentioned above, although some other CSOs considered that the Commission has a say in choosing the civil society MSG representatives and may refuse the nomination of a CSO member. Given that there is an understanding that the selection of two members constitutes an intervention in independence from interference in nominations (1.4.a) the MSG members from civil society agree that they add value to the conversations. Civil society is strongly encouraged to formalise its nominations procedures, and to ensure that it reaches out proactively to organisations in mining regions, taking into consideration platforms identified by the Commission for Human Rights and Civil Society Relations, so that the nominations procedure is open to new entrants.</p> <p>With regards to engagement, there does not seem to be any government restrictions on civil society's ability to participate in the EITI process. However, civil society members took issue with the lack of engagement of the members of the four professional orders (two for the association of mayors, one for chartered accountants and one for the lawyers' association), as they never come to EITI MSG meetings or engage with the CSO constituency in any way. Some stakeholders argued that it is because there is no reimbursement for participation (per diems) that they do not see the value of participating in a multi-stakeholder forum on the extractive industry. One civil society member mentioned that it would be very useful to have an accountant as part of the civil society constituency to analyse company financial statements and to explain it to other CSO members, but that unfortunately they are not at all engaged. Civil society is in favour of reassigning those four seats, as in effect only two thirds of civil society is present and engaged.</p> <p>Finally, in terms of access to decision making, there do not seem to be any legal obstacles preventing civil society from using the EITI process to influence public debate and policymaking on extractive industry governance. The consulted CSOs mentioned that they actively participated in dissemination activities and had undertaken an exchange on reliability with the national mining cadastre. However, they also noted that they were not consulted during the development of the new Mining Code. Civil society noted that, while their engagement has helped them build capacity, thanks to the new</p>
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⁵ The Secretariat was made aware by the 'GIP' that there were formalised nominations procedures for CSO members, but the Secretariat did not receive a digital copy.

	<p>Independent Administrator, their understanding of the sector remained limited. While there are established channels for communicating with each other, there is little engagement of civil society outside of the MSG on issues highlighted in the EITI Reports. Overall, after 17 years of implementation, CSOs' engagement on substantive issues remains rather weak, but there is strong interest in local development funds, the environment and extractive companies' financial statements.</p>
<p>Multi-stakeholder group (Requirement #1.4)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 1.4 is fully met, as in the previous Validation. Stakeholders from all constituencies were of the view that the objective of an independent MSG that can exercise active and meaningful oversight of all aspects of EITI implementation is fully met. The Secretariat's view is that the objective is fully met.</p> <p>In terms of gender representation and diversity, a minority of only four of the 31 MSG members are women, including one from industry and three from civil society. There do not appear to be provisions for the consideration of gender in appointments to the MSG by any of the three constituencies' nominations procedures and practices, nor in the MSG's newly adopted code of conduct.</p> <p>With regards to the decision making process, the new code of conduct mentioned that decisions within the MSG are reached through the consensus of the three constituencies it encompasses. If the consensus is unattainable, a vote is conducted to resolve the impasse. In the event of a tied vote, the MSG Chair holds the prerogative of the casting vote. This same approach was followed even before the adoption of the new code of conduct in 2023. In practice, stakeholders consulted confirmed that this procedure is in place and applied for decision making in the MSG meetings.</p> <p>EITI Mauritania adopted the new code of conduct in 2023, to complement the 2018 decree governing EITI implementation in the country. The code of conduct mentioned (article 11) that MSG members' responsibilities include the approval of annual documents such as Terms of Reference for the IA, the EITI Reports, the work plan and the annual progress report. Moreover, the code of conduct presented the MSG's governance rules and practices related to the MSG's functioning and clarified procedures to appoint its members from the different constituencies, although neither the code of conduct nor the 2018 decree on the EITI codify the per diem practices. The only document that provides this information is the MSG's 'Stakeholder engagement' template, which mentions that allowances amounting to MRU 5,000 (USD 125) are paid to MSG members for each ordinary session attendance since 2023. Stakeholders consulted mentioned that allowances are only paid to civil society members. In its comments to the MSG, the meeting minutes of civil society notes that the Chair of the EITI has committed to cover the travel cost of the CSO representatives from mining cities.</p> <p>The International Secretariat takes note that civil society, in its meeting on 4 July, defined that its civil society members are only eight persons and that they do not consider other (six) members listed under civil society in the MSG's terms of reference as members of their constituency. The MSG must return to the issue of distribution of seats and consider updating the ToRs and decree to reflect the actual practice. An updated ToRs and decree should also formalise the per diem practice.</p>

New corrective actions and recommendations

- To strengthen implementation of Requirement 1.1, the government is encouraged to sustain its technical and financial support for EITI implementation, with a view to institutionalising EITI implementation into government systems.
- To strengthen implementation of Requirement 1.2, Mauritania is encouraged to ensure that all companies are fully, actively and effectively engaged in all aspects of the EITI process, including regular disclosures at the company's website and active contributions to the EITI reporting process. To strengthen implementation, extractive companies are encouraged to codify robust constituency coordination procedures to provide genuine channels for consultation and representation within the EITI process of the views of the broader industry constituency.
- In accordance with Requirement 1.3, Mauritania should ensure that the civil society constituency, not limited to those directly represented on the MSG, are fully, actively and effectively engaged in all aspects of the EITI process. Civil society should ensure that all CSO members represented on the MSG are in fact engaged in the EITI process. Civil society is encouraged to publish its nomination procedure and to actively seek out CSO members active on extractive industry related issues.
- To strengthen implementation of Requirement 1.4, Mauritania is strongly encouraged to review its distribution of seats to civil society and consider reviewing the decree and terms of reference to ensure that the legal documents underpinning the governance of the MSG reflect actual practice, including the allocation of per diems. The government is encouraged to ensure that it does not intervene in the nomination of civil society in the selection of its representatives. The multi-stakeholder group and each constituency should consider gender balance in their representation to progress towards gender parity. Mauritania is encouraged to update the Decree governing the EITI, which could include provisions of the 2023 EITI Standard. Members of the multi-stakeholder group should have the capacity to carry out their duties. Furthermore, to ensure compliance with article 7 of [the systematic disclosure decree](#), the MSG should fulfil its role in overseeing reporting entities' systematic disclosure on their own websites.

4. Transparency

This component assesses EITI Requirements 2 to 6, which are the requirements of the EITI Standard related to disclosure.

Overview of the extractive sector (Requirements 3.1, 6.3)

Overview of progress in the module

Mauritania publishes an annual overview of the extractive industries with some information on significant exploration activities. It uses its EITI reporting to disclose comprehensive information on the macro-economic contribution of the extractive industries. The MSG could consider disaggregating employment data by gender, company and occupation across all extractive companies.

Progress by requirement and corrective actions

A detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement
Exploration (Requirement #3.1) <i>Fully met</i>	<p>The International Secretariat's assessment is that Requirement 3.1 is fully met, as in the previous Validation. The Secretariat's view is that the objective of ensuring public access to an overview of the extractive sector and its potential is fulfilled, given Mauritania's use of its EITI reporting to provide an overview of the extractive industries on an annual basis, with some information on significant exploration activities. Consulted stakeholders did not express particular views on progress towards this objective. Reporting includes some information on informal sector activities, but none on reserves and significant economic potentials, which are encouraged.</p>
Contribution of the extractive sector to the economy (Requirement #6.3) <i>Fully met</i>	<p>The International Secretariat's assessment is that Requirement 6.3 is fully met, as in the previous Validation. The Secretariat's view is that the objective of ensuring a public understanding of the extractive industries' contribution to the national economy and natural resource dependency is fulfilled, given Mauritania's use of its EITI reporting to disclose comprehensive information on the macro-economic contribution of the extractive industries, including estimates of informal extractive activities. In particular, civil society i noted that the 2022 EITI Report supplies the reader with context on key drivers of the extractives sector.</p> <p>The 2022 EITI Report includes a spotlight on artisanal and semi-mechanised small-scale gold mining (ASGM), which is a fairly new feature in Mauritania's mining industry. The government agency Maaden was founded 2019 to formalise emerging gold mining activities and the EITI Report describes the Bank of Mauritania (BCM)'s role in commercialisation of ASM gold – a role it had taken on during COVID but since abandoned, as noted in consultations. The report includes estimates on the share of gold sold through informal channels, at 70% in 2021. There are opportunities for Mauritania to work more closely with Maaden, both as a diagnostic of the progress on formalisation, data on commercialisation and estimates of illegal exportation, as well as estimates on production and employment. There will also be a need</p>

	<p>to clearly demarcate ASM corridors from industrial mining activities (see <i>Requirements 2.3 and 2.6</i>). There is an opportunity for peer learning in the region, where formalisation processes have been under way in other countries.</p> <p>Employment data disaggregated by gender, the three reconciled companies and occupation across all extractive companies, which is encouraged, is not yet disclosed.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> To strengthen implementation of Requirement 3.1, Mauritania is encouraged to strengthen government and company systematic disclosures of information concerning extractive industries, including significant exploration activities such as the reopening of the SNIM Fdérick ore mine and the Tiris Uranium project. To strengthen implementation of Requirement 6.3, Mauritania is encouraged to publish employment disaggregated by gender, occupational level and companies beyond the three reporting companies. Mauritania is encouraged to use the EITI as a diagnostic and communications tool on the progress in formalisation of ASGM, as set out in Maaden's objectives, in particular with regards to commercialisation of artisanal gold. 	

Legal environment and fiscal regime (Requirements 2.1, 2.4, 6.4)

Overview of progress in the module

The overview of the legal framework and fiscal regime is largely publicly available and EITI reporting provides a helpful narrative. Mauritania has made important progress in the publication of oil, gas and mining contracts entered with material companies. Almost all licenses are published. The Secrétariat Général du Gouvernement consistently publishes the official gazette ('Journal Officiel') which contains the decrees of licenses allocated in the oil, gas and mining sectors and a good example of record keeping and consistent systematic disclosures of licenses. Mauritania should ensure that its practice of contract publication is supported by a clear government policy on the publication of contracts. The ongoing review of the Mining Code would be an opportunity to codify a contract transparency provision. The 2020-2021 report reviewed in detail the contract '2018 convention particuliere' of SNIM, demonstrating the interest of the MSG in understanding the terms this contract. The MSG may wish to consider how to fulfil its monitoring role more effectively to ensure that contracts are published as routinely as extractive licenses. The EITI does not yet monitor the environmental publications nor the implementation of statutory rules on environmental rehabilitation in practice.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement
Legal framework and fiscal regime (Requirement #2.1)	The International Secretariat's assessment is that Requirement 2.1 is fully met, as in the previous Validation. The EITI Report and systematic disclosures reference both the existing legal framework and fiscal regime. Most laws and regulations in force are published on government websites for both mining and

<p><i>Fully met</i></p>	<p>oil and gas. The Secretariat is of the view that the objective of ensuring public understanding of all aspects of the regulatory framework for the extractive industries, including the legal framework, fiscal regime, roles of government entities and reforms is fulfilled. Stakeholders did not express views on the fulfilment of this objective.</p> <p>The 2022 EITI Report references the 2019 and 2020-2021 EITI Reports where the description of the legal framework and fiscal regime were presented, noting no changes have occurred in the year under review. There is no fiscal devolution that has relevance to the extractive industries. The report further outlines the evolution of the mining code. The report expresses doubts on the comprehensiveness of the legal texts when it comes to the addenda and annexes, likely referring to the contracts published (see <i>Requirement 2.4</i>). The EITI Report also reviews the main changes in terms of regulations, although the texts of the decrees issued in 2022 and 2023 are not yet published on the Ministry of Mines and Petroleum's website⁶. The latest EITI Report also includes an overview of the sections in laws or contracts determining the level of taxes for the three main companies operating in Mauritania. The revenue due to government is a combination of the fiscal regime and contracts.</p> <p>The EITI Report notes in the section on recommendations from the previous years that the mining code is under review and provides an overview of the main elements to be reviewed. The EITI Report would benefit from the inclusion of planned reforms more prominently in the overview of the legal framework, as well as noting whether any of the weaknesses identified through EITI reporting or Validation could be addressed in the planned reforms. Consulted members from civil society and companies noted that the MSG had not yet used its multi-stakeholder forum to provide input on recommendations to the Ministry on the future mining code. Consultations with the government on the main priorities revealed that the duration of exploration licenses was to be reduced in order to incentivise companies to develop the areas for which they have received a license more quickly than under the current Mining Code. There have been some discussions on including local content provisions.</p>
<p>Contracts (Requirement #2.4)</p> <p><i>Fully met</i></p>	<p>The International Secretariat's assessment is that Requirement 2.4 is fully met. Mauritania EITI has published a wide range of licenses and contracts in mining, oil and gas, including pre-dating 2021 (such as for GTA) and covering material companies and all oil and gas contracts. EITI disclosures do not clearly state the government policy on contract disclosure. In practice, the EITI has published all contracts entered or amended since 2021 with the publication of the amendment to the Tasiast (Kinross) contract in response to the draft assessment. Other contracts have been published on the EITI website mining contract inventory that predate 2021. From the Secretariat's understanding all active oil contracts and almost all licenses have been published on the EITI website's oil contract inventory. In addition, the MSG has discussed the content of the SNIM 2018 agreement and has mapped the origin of payment to contracts or legislation for the three main mining companies in EITI reporting. The Secretariat is of the view that despite the gaps in government policy and a missing oil and gas license from 2023, material contracts predating 2021 have been published, all exploitation mining licenses have been published and the EITI Reports have used them in analytical sections of the report. In weighing the</p>

⁶ Additionally, it emerged during consultations that the Ministry of Mines, Petroleum and Energy (MPME) has renamed and extended the role of the petroleum directorate to 'petroleum and low carbon hydrogen directorate', which is described in the referenced official journal in the transparency template.

	<p>gaps against the achievements that go beyond the required aspects, the Secretariat views this requirement to be fully met.</p> <p>The MSG EITI Mauritania holds an inventory of all active mining and oil and gas contracts, but the Secretariat's view is that the mining inventory is not yet comprehensive, as Kinross renegotiated its contract in 2021, which is not yet reflected in the contract inventory or in the EITI Report. Given the missing reference to the contract amendment, doubts about comprehensiveness on the inclusion of all amendments to contracts and the lack of a clear government policy on contract disclosure, the Secretariat's view is that the objective is mostly met. Given that the MSG has published the outstanding contract in its comments to the draft assessment, the Secretariat now considers all contracts to have been published. The Secretariat notes that the BirAllah contract with BP has been included in the inventory, but that the decree is still missing. Stakeholders consulted from companies and government were of the view that Mauritania had made important progress. Civil society underlined the importance of access to contracts but noted the terms were not always readily understandable.</p> <p>The government's practice is that the licenses are published via the official journal. On contracts, the MPME does not take a clear stance if all contracts are published but in practice has published an array of contracts on its website.⁷ The EITI Mauritania website has also published a list of active contracts and licenses for the mining⁸ and oil and gas⁹ sectors. From a review of documentation, Mauritania has comprehensively disclosed the decrees that contain the licenses for all exploitation mining licenses, with the sole exception of the 1C1 license for SNIM for the Tiris Zemmour mine (attributed 1958 and active until 2033). Exploration licenses are published. Licenses for oil and gas are published on the EITI website, linking to the official journal.</p> <p>On contracts, the EITI website lists a range of contracts. The progress of publishing those contracts (<i>conventions minières</i> for mining and <i>contrats CEP</i> for oil and gas) is noteworthy. From a Validation team review of oil and gas, the contracts are comprehensive and corresponds to the active contracts noted in the oil and gas register. It includes the BirAllah contract entered in 2023 but not its license. The link to the major GTA oil and gas contract is not working. The overview of mining contracts on the EITI website notes the availability of contracts, where they can be accessed, and what contracts are not yet available. The contracts of the three material companies are online with the exception of the 1958 SNIM contract, which is encouraged if there have not been any modifications to the contract since January 2021. However, the overview does not indicate if any of the contracts have been amended, how many times and when. At least for one company, Kinross, the Secretariat is aware that the 2004 contract was amended in 2021. The overview does not include any indications of modified contracts and hence is not comprehensive in accordance with this requirement. The MSG has addressed this during the MSG commenting period and the Kinross amendment is now noted in the inventory.</p> <p>On the government policy on contract publication, in its comments to the draft assessment, the MPME lists the measures taken to ensure the effective</p>
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⁷ For oil and gas see <http://cnitie.gov.mr/contrats-ep/> and mining: <https://www.petrole.gov.mr/?Convention>

⁸ <http://cnitie.gov.mr/conventions/>

⁹ <http://cnitie.gov.mr/contrats-ep/>

	<p>implementation of the EITI. While it notes in the title the measures taken on contract transparency, the note does not specify the government's policy towards the publication of licenses, contracts, including their amendments.¹⁰ For the publication of petroleum contracts, all decrees and contracts are published on government websites, with the exception of BirAllah license (not yet available) and the contract with BP (published on the BP website, not the government website). The Secretariat is of the view that the government's policy is not yet clearly stated and that it is unclear how the EITI would be informed of any amendments that would need to be published.</p> <p>The MSG has reviewed the SNIM 2018 agreement in the 2020-2021 report and the current report includes the references to articles in the contracts where the level of payments to government are determined by payment type. At least one material contract was amended since 2021, but has not been published or acknowledged in the inventory of contracts. Kinross (owner of Tasiast) renegotiated terms in 2020 and reached an agreement with the government in 2021.</p> <p>There had been some legal changes to the promotional oil and gas zones which may have a bearing on contract allocations in the sense that law 2021-025, published in March 2022¹¹, describes the principles applicable for production sharing agreements, and that those contracts shall specify the recoverable costs. It does not specify that contracts shall be published.</p> <p>There is no evidence of discussion by the MSG on the comprehensiveness and regularity of the disclosure of contracts. Given the lack of clear government policy supporting the publication of contracts, it remains of an ad-hoc nature. There is no evidence of MSG discussion of any barriers hindering the routine publication of contracts and there does not seem to be any concerns about confidentiality constraints, and no discussions on removing any legal and practical barriers to routine disclosures.</p> <p><u>Documentation of progress in meeting supporting company expectations (nr 8) on contract disclosures</u></p> <p>Of the six supporting companies, it appears that Kinross (owner of Tasiast) renegotiated terms in 2020 and reached an agreement in 2021. The amended contract is not yet systematically disclosed (on company or government website) and only the original contract of Kinross is available on the contracts and decree directory and EITI website. As noted above this has been updated in the commenting period and is now disclosed on the EITI website contract inventory. The Kinross website outlines the key changes in terms but does not publish the agreement that was entered into in 2021. EITI supporting company BP published its contracts in Mauritania¹², as did Kosmos¹³, while TotalEnergies published a statement in support of contract publication on its website. Shell supports contract transparency but, like Total Energies, does not publish its Mauritanian contracts on its own website. For Glencore, which buys iron ore from SNIM, this expectation does not apply as it only covers contracts</p>
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¹⁰ In the explanation submitted, there is reference to a law that requires companies to participate in revenue transparency, but remains silent on the policy of publishing the contracts and their amendments.

¹¹ See the official journal: <https://www.msgg.gov.mr/sites/default/files/2022-04/J.O.%201505F%20DU%2015.03.2022%20%281%29.pdf>

¹² https://www.bp.com/en_mr/mauritania/home/who-we-are.html

¹³ <https://www.kosmosenergy.com/transparency/#petroagree>

	and licenses that govern the exploration and exploitation of oil, gas and minerals.
Environmental impact (Requirement #6.4) <i>Not assessed</i>	<p>The Secretariat's assessment is that Requirement 6.4 remains not assessed, given that several encouraged aspects of this requirement remain to be addressed by Mauritania EITI. Civil society had highlighted that environmental impact assessments are particularly important to them and they would like to see more information.</p> <p>EITI reporting outlines the obligations of mining companies towards the environment, among others to rehabilitate the mining sites. Companies above 100 tonnes per day capacity must submit environmental impact studies. Those are not published on the Ministry of Environment website. The EITI report does not comment on the practice of the legal framework, with the exception on the mine rehabilitation law, which is lacking an implementing decree.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> To strengthen implementation of Requirement 2.1, Mauritania is encouraged to routinely publish any legal texts with relevance to the extractives sector on the government website when they are published in the official journal, to ensure that the systematic disclosures remain up to date. Mauritania is encouraged to reference in EITI reporting any relevant documentation on the roles of the key institutions including any changes in mandate. Mauritania is encouraged to include in the overview of the legal framework the status and priorities of any major legal reform, such as of the Mining Code. To strengthen implementation of Requirement 2.4, the government is strongly encouraged to clearly formulate its policy towards the publication of contracts, in order to ensure that the gains made in contract publications enjoy official support. The government may consider to include a clause on publishing contracts in its ongoing review of the Mining Code. Mauritania should ensure that there is a clear process in ensuring that any modifications of agreements are communicated to the EITI and amendments, their underlying agreements and all licenses since 2021 are published. The inventories on the EITI websites are to be kept updated to reflect any changes and new licenses being allocated. To advance systematic disclosures, the MPME is encouraged to publish the contracts and licenses on its own website or indicate what Official Journal the decree including the license has been published. Companies are encouraged to publish contracts on their respective websites. To strengthen implementation, Mauritania is encouraged to publish all contracts that have not been amended since 2021 and to continue publishing mining exploration licenses are published. The MSG is encouraged to continue reviewing the terms of the contracts in view of payments to government. Given the interest of civil society, the MSG is encouraged to continue to build its capacity in understanding the terms of contracts and their implications for payments to government. To strengthen implementation of Requirement 6.4, Mauritania is encouraged to address relevant legal provisions, administrative rules as well as actual practice related to environmental management and monitoring of extractive investments in the country through its EITI reporting. Mauritania is encouraged to review actual practice of environmental impact assessments. 	

Licenses and property rights (Requirements 2.2, 2.3)

Overview of progress in the module

Given that Mauritania hopes to attract more investments in its oil and gas sector, it is somewhat surprising that the government has not yet established an online oil and gas cadastre. While the

main information on oil and gas companies is available, the register must be timely and reflect the status quo.

There have been some tweaks to the license allocation process in the year under review to both clarify and improve administrative criteria (mining) and to attract investment (oil and gas). For both sectors the data on license awards are not sufficiently comprehensive and have not been subject to a diagnostic of the rules and practices by Mauritania EITI. There are opportunities to strengthen transparency in license allocation and registers for both sectors.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement
Contract and license allocations (Requirement #2.2) <i>Mostly met</i>	<p>The International Secretariat's assessment is that Requirement 2.2 is mostly met, which is a regression from the previous Validation. The Secretariat's view is that the objective of providing a public overview of the rules and practices of oil, gas and mining license awards and transfers is mostly fulfilled, as there are inconsistencies in information on license allocations and there are no plans to review the practice of license allocations. Consulted stakeholders did not express particular views on progress towards the objective, but the report notes concerns in the adherence to procedures for license allocations. Given that the information provided in the mining cadastre and the data shared with the EITI differs from each other, the Secretariat is of the view that the MSG should review any deviations from the law and the practice to ensure the statutory procedures are followed and the cadastre accurately reflects the application, allocation and expiry dates.</p> <p>The EITI Report notes that no license was allocated in the year under review (2022) for quarrying, and none for mining. On mining and quarrying, the EITI Report notes no mining rights were allocated in 2022, but a test of the cadastre showed that there is at least one company that received a license in the year under review.¹⁴ In its response to the draft assessment, the Mining Directorate commented that the online cadastre displays the application date for unallocated licences and the allocation date for allocated licences. The list of active exploration licenses as of 31 December 2023 shows that there were no exploration licenses allocated in 2022. The list on quarrying licenses lists the quarrying licenses that were requested in 2022 but not yet allocated, in total 70 license requests are noted in the list – some of which, but not all, are recorded in the mining cadastre. The comments could not clarify why some industrial quarrying licenses are listed as allocated in the mining cadastre, but not listed in the list of active licenses or noted in the EITI Report as attributed. While those licenses may not be material, the inconsistencies point to weaknesses in the license attribution and records management.</p> <p>On oil and gas no allocations or transfers were noted for the year under review, but the transparency template notes two applications in oil and gas, which is inconsistent to the cadastre, which notes the above license awarded in 2023 and none in 2022. The oil companies receiving licenses are not named in the EITI Report, and this may be a typo. There is no explanation of any legal or practical</p>

¹⁴ From reviewing the [online mining cadastre](#), the Secretariat could identify the company MAM received a license for gypsum in March 2022.

	<p>barriers that would prevent comprehensive disclosures. No transfers are noted to have occurred during 2022.</p> <p>The statutory licensing procedures are well explained through systematic disclosures and changes to the laws and decrees governing the allocation and transfer of licenses have been covered through reporting and disclosures on the EITI website. For 2023, the report notes one oil license was awarded in 2023 (BirAllah exploration license to BP and Kosmos) and two for quarrying in 2023. The report notes that there are no procedures or plans in place to undertake a diagnostic of license allocations.</p> <p>The same license award procedures for oil and gas are applicable as for the previous period under review. For mining, a new decree was published in 2023 requiring the disclosure of BOs and PEPs when applying or bidding for an extraction license (see Requirement 2.5). It also updates some of the requirements on technical and financial criteria, which continue to be of an administrative nature. An undated explanatory note is available on the EITI website.¹⁵</p> <p>The EITI Report comments on the 2023-048 decree, stating that it brings some important improvements. The report further notes that it is necessary to monitor its implementation, and the MSG has not yet undertaken such a diagnostic given other priorities. The report does not comment any allocations of EITI reporting companies outside of the period under review, which is encouraged.</p>
<p>Register of licenses (Requirement #2.3)</p> <p><i>Mostly met</i></p>	<p>The International Secretariat's assessment is that Requirement 2.3 is mostly met, which is a regression from the previous Validation. The oil and gas cadastre is not up to date and has information inconsistent with other public information. The cadastre for mining and quarrying published in the EITI Report contains only exploitation licenses and application dates are neither in the EITI Report, nor in the online cadastre. Government stakeholders were of the view that the information is up to date and correct, while civil society noted there were some doubts on the comprehensives and diligence in recording applications and logging the data in the mining cadastre in a timely manner. In its comments to the draft report, the mining directorate submitted a list with active exploration licenses as of 2023. While this is a welcome addition, several records in the list are inconsistent with records in the mining cadastre.</p> <p>On oil and gas, there is a license register in the form of an excel sheet¹⁶ on the MPME's website, which contains data up to December 2022. However, countries are required to maintain a register that is timely – and this document cannot be considered timely as it was already one year old by the commencement of Validation. In the meantime, it seems that Capricorn had rescinded its C-7 license.¹⁷ According to public news websites, the BirAllah license which is noted to expire in April 2025, but according to news articles¹⁸ the license already expired in April 2024 and was not renewed (BP and Kosmos). It seems that the date (April 2025) in the register may not be correct. The extractive commodity covered by the license is not provided in the cadastre, nor are the coordinates.</p>

¹⁵ See <http://cnitie.gov.mr/wp-content/uploads/2023/11/Notes-sur-loctroi-des-Permis.pdf>

¹⁶ See https://www.petrole.gov.mr/IMG/xlsx/100723_formulaire_itie_2022_partie_hc_1_xlsx

¹⁷ See <https://www.upstreamonline.com/finance/careworn-capricorn-ditches-exploration-farm-outs-totally-amid-egypt-focus/2-1-1474745>

¹⁸ See for example: <https://ornoirafrika.com/en/mauritania-bp-leaves-birallah-the-government-in-hunt-for-a-replacement/#:~:text=In%20a%20surprising%20development%2C%20the,officially%20come%20to%20an%20end.>

	<p>Stakeholders from the MPME noted that there is interest to set up a digital oil and gas cadastre, but that has not been yet taken forward.</p> <p>On mining, the register in the report and on the EITI website lists several exploration licenses with links to decrees and the MSG has submitted an additional list of active exploration licenses. The online cadastre also contains exploration licenses. Samples of checking the online cadastre against the list of active licenses showed that there are several licenses that are active but not reflected in the mining cadastre, and where they are in the register, the information related to the license can differ.¹⁹ The mining cadastre does not contain application dates. In its comments to the draft assessment the cadastre office noted that once the license is attributed, the request date is overwritten by the attribution date, so no longer visible publicly but still is still available in the information system. All material companies are contained in the reporting list, online cadastre and the inventory (on the EITI website). The company Haitien Mining Mauritanie, which received (as noted in the EITI Report) two licenses in 2023, is not found on the online cadastre. The EITI Report raises doubts on the timeliness of the mining cadastre and notes that lack of human resources and diligence are reasons for the gaps. Stakeholders from the MPME noted that there are efforts underway to improve the accuracy of the cadastre. There are several licenses in the cadastre that are ‘under renewal’ despite having expired several years ago or are marked as ‘application’, without providing the application date.</p> <p>Consultations with Maaden noted that there are corridors reserved for formalised artisanal and semi-mechanised gold mining activities. To ensure that there is no overlap between the Maaden licensed areas and the industrial mining sites, the mining cadastre authority may wish to include the coordinates of those corridors in the official (landfolio) mining cadastre.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> • In accordance with Requirement 2.2, Mauritania should ensure that it comprehensively discloses all awards and transfers of licenses for oil, gas and mining, and undertakes a diagnostic of licensing practices in order to conclude on an assessment of whether there have been any non-trivial deviations from statutory procedures in practice. To strengthen implementation, Mauritania could consider extending the diagnostic of licensing practices to license renewals and the conclusion of contract amendments and riders. • In accordance with Requirement 2.3, Mauritania is required to ensure that MPME maintains a timely publicly accessible oil and gas register that includes application dates. MPME is required to ensure that the mining cadastre is comprehensive and reliable and that application dates are available in the online cadastre. Mauritania is encouraged to ensure alignment between Maaden and the mining cadastre and is encouraged to integrate at least the defined artisanal and semi-mechanised mining corridors into the existing cadastre system. 	

¹⁹ An example is license nr. 2189 which is listed as ‘renewed’ in Marcg 2024 but shows as ‘renewal under way’ in the online cadastre. Another one is on licenses attributed to EMIRAL Mining: the cadastre shows five active licenses, the list only four.

Beneficial ownership (Requirement 2.5)

Overview of progress in the module

Adherence to Requirement 2.5 on beneficial ownership is assessed in full in Validation as of 1 January 2022 as per the framework agreed by the Board in June 2019.²⁰ The assessment consists of a technical assessment and an assessment of effectiveness.

Technical assessment

The technical assessment is included in the Transparency template, in the tab on Requirement 2.5. The key findings are that, while the legal framework to request beneficial ownership information is in place, there is no evidence that the competent authority (the commercial register) is requesting this information in practice. The information is now also to be collected by the mining cadastre, as mandated by a recently enacted government decree. There is no legal basis for the public disclosure of beneficial ownership information for extractive companies. Through EITI reporting, data was submitted by the material mining companies and all oil and gas companies (all of which are publicly listed), with Capricorn, which has since ceased its license being the sole exception.

In late 2023, a range of beneficial ownership forms were published, covering about a third of all companies listed as exploitation companies in the EITI Report register. The three major mining companies making payments to the government in the mining sector have published their beneficial owners, but two of those are publicly listed and one is state-owned.²¹ The oil and gas companies are all publicly listed. The Secretariat recognises this effort to improve transparency of beneficial ownership, even if it is incomplete given the absence of a legal basis for public disclosure.

Assessment of effectiveness

The MSG has not assessed the comprehensiveness and reliability of the information provided by the companies. A risk-based approach has not been formulated, but in practice, the three largest mining companies (two of which are publicly listed and one an SOE) have disclosed their ownership. Consequently, the largest material companies are covered in the online disclosures of beneficial ownership.

The MSG should consider adopting a risk-based approach to prioritise disclosure efforts for companies it deems high risk, given that implementing the BO register at the commercial register may not have significantly progressed since the legislation's enactment in 2021. The MSG should also discuss how the cadastre will verify beneficial ownership submissions and whether the current threshold of 20% applies to politically exposed persons (PEPs).

Regarding data reliability, the current assurances through a sign-off by a senior member of the company seem robust, but as with other disclosures, the implementation of assurances should be reviewed systematically. There is no penalty for non-disclosure, which potentially contributes to the slow pace of implementation. There is a clear need for the MSG to assess with the commercial registry's the progress of establishing the beneficial ownership register, to evaluate the quality assurance methods, and to determine if this data is being shared with relevant entities (cadastre, tax office, customs) as stipulated in decree 2021-033. Legal owners are not

²⁰ <https://eiti.org/document/assessing-implementation-of-eitis-beneficial-ownership-requirement>.

²¹ Tasiast is a subsidiary of Kinross and MCM a subsidiary of First Quantum Mining

systematically disclosed and are only available for those companies that have disclosed their beneficial owners.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement
Beneficial ownership (Requirement #2.5) <i>Mostly met</i>	<p>The International Secretariat's assessment is that Requirement 2.5 is mostly met. Significant elements of the requirement are being implemented, and Mauritania has made efforts to ensure effective disclosures from the largest companies. Although there is a legal basis for the collection of beneficial ownership data, there is no government endorsement of public disclosure. Nonetheless the EITI has published BOs of one third of companies holding mining exploitation licenses, including all material ones. For oil and gas, links to stock exchange filings for companies holding licenses are available. Stakeholders of all constituencies were of the view that important progress has been made but share the view that this requirement is 'mostly met'. The Secretariat is of the view that collection and publication are of ad-hoc nature, data is not systematically discussed and reviewed and PEPs have not yet been sufficiently addressed, and hence the requirement is not yet fully met.</p> <p>Laws and regulations support the establishment and maintenance of a register of beneficial owners for all companies registered in Mauritania on the register of commerce and securities, according to decree 2021-033. This register is not public but accessible to 'competent authorities', such as the mining and oil and gas cadastre offices. All companies applying for a license must register a company in Mauritania, so the requirement to submit beneficial owner information appears to pertain to all companies applying for, or holding, extractive licenses. The decree's definition of beneficial owners aligns with Requirement 2.5, notwithstanding the lack of a PEP definition. The decree stipulates a 20% threshold (Article 60) and designates the commercial register to hold beneficial ownership information. The official reporting template includes a form on beneficial owners. However, the latter does not contain the percentage or form of control²². The beneficial ownership register is not intended to be public but requires the commercial register to share the information with competent authorities, including the mining and petroleum directorates, as well as the tax and customs departments.</p> <p>Stakeholders consulted were unaware of this decree, and the EITI Report does not reference it. The MSG did not request data from the commercial register for companies holding exploration and exploitation licenses when compiling the EITI Report, but rather requested reporting companies to submit this information. Government stakeholders did not request this information from the commercial registry (<i>34e registre de commerce</i>), and it is not clear if the commercial register is already collecting this data from companies or if there is a need to issue further regulation (<i>arrete</i>) to implement the 2021-033 decree.</p> <p>A subsequent decree issued in 2023 (2023-048) requires companies applying for exploitation mining licenses to submit their beneficial ownership information with the application for a license. It does not cover exploration licenses or the</p>

²² For the forms, see here: <https://www.justice.gov.mr/spip.php?article712> The form for BOs is named 'BE, annexe 6'

	<p>petroleum sector and does not mandate the publication of this information. There is no reference to the definition of beneficial owners, PEPs, or the materiality thresholds for disclosure. It is unclear what reporting template companies must submit (EITI template or the template associated with the decree 2021-033). There is an inconsistency in the thresholds between the two templates: the EITI's template sets a 25% materiality threshold, while the 2021-033 decree stipulates a threshold of 20%. It is not clear whether the threshold applies to PEPs or not. The EITI template includes a PEP definition in line with the EITI Standard.</p> <p>There are no systematic disclosures of the government's policy on beneficial owners and the report limits its reference to decree 2023-048. MSG meeting minutes show evidence of a discussion of BO templates (in January 2021), but no discussion on government policy and its implementation.</p> <p>Based on decree 2021-033, all companies registered in Mauritania must submit information on legal and beneficial owners. Stakeholder consultations could not confirm implementation in practice. Legally, the requested information includes the identity of the beneficial owner, level of ownership, and details of how ownership is exerted, but not whether it is a PEP. Regarding the extractives sector, EITI Mauritania has requested all companies within the report's scope (companies making more than USD 100,000 in payments to government) to submit this information, which does not include all companies applying for, and holding, a mining license.</p> <p>In terms of actual disclosures, all companies in the oil and gas sector are wholly-owned subsidiaries of companies listed on stock exchanges, and the link to stock exchange filings is published on the EITI website, aside from Capricorn, which no longer holds a license (but did in 2022).²³ For the mining companies, reporting companies Ferroquartz Mauritania and Sphere Mauritania SA did not disclose any beneficial owners. SNIM (SOE), Tasiast (Kinross, listed), MCM (First Quantum Minerals, listed) filed sufficient disclosures. ²⁴All templates are available on the EITI website.²⁵ They are mostly submitted by the finance department and have a stamp and signature. Most companies included shareholders below the minimum 25% threshold. Additionally, the data warehouse publishes a range of legal and beneficial owners. When downloading the form underlying the data per company, the forms are dated to 2017. Most companies listed in the table (many more than reporting) do not contain any legal or beneficial owners, but some (like Wafa Mining SA) do. Due to doubts about its reliability, the data on the data warehouse platform is not considered in this assessment, given the lack of assurances in the submitted forms and most dates relating to 2017.</p> <p>There is no evidence that the MSG discussed the disclosures in terms of comprehensiveness and reliability. A comparison between the companies and</p>
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²³ See here:

https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.petrole.gov.mr%2FIMG%2Fxls%2Flien_ver_s_les_informations_des_societes_petrolieres_operant_en_mauritanie_cote_bourse-2.xlsx&wdOrigin=BROWSELINK

²⁴ On other company disclosures: TIJIRIT Recherche et exploration SA only declared legal owners (20% ANARPAM, SOE, 75% a Canadian listed company and 10% Wafa Mining and petroleum, which should have a beneficial owner). Other companies that did declare, but are below the reporting threshold, include SENI SA (subsidiary of Kinross, no mining license in cadastre; declaration includes KG ressources and several individuals), Haitian Mining Mauritanie (co-owned by ANARPAM (20%); the Chinese company Yinghai Mining Company (5%), BO available; and Wafa Mining & petroleum company (15%), no BOs available).

²⁵ See <http://cnitie.gov.mr/la-propriete-reelle/>

	<p>the EITI Report mining license register (which does not seem as comprehensive as the online register), shows that 66% did not declare beneficial owners. The 33% which did are the largest companies in terms of production and government revenues. Entities that failed to disclose are not named but can be identified. All EITI supporting companies have submitted the required information and are all wholly-owned subsidiaries of publicly listed companies.</p> <p>The requested information includes the required elements as per Requirement 2.5, but some disclosures did not include all requested data from beneficial owners. No PEPs were identified in the published data. Regarding assurances for EITI reporting, a finance manager must attest to the accuracy of the information, which was done for all disclosures available on the EITI website. Decree 2021-033 requires that the data submissions be made through a company's legal representative.</p> <p>The MSG has not considered how rigorous the requirements of the stock exchanges are, as encouraged by Requirement 2.5. Only the legal owners of the companies mentioned above are available. The commercial registry has no searchable company database, which could include legal owners. This Validation report does not contain a review of the assessment of Mauritania under the FATF framework, given that it dates from January 2022, just a couple of weeks after the passing of decree 2021-033.</p> <p><u>Documentation of progress in meeting supporting company expectations (nr 6) on beneficial ownership disclosures</u></p> <p>BP, Shell, TotalEnergies, Kinross (Tasiat) and Kosmos are all publicly listed companies and have issued their obligatory shareholder filings. Glencore (no license, trade only) is listed.</p>
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New corrective actions and recommendations

- In accordance with Requirement 2.5, Mauritania should review the legal basis for the collection and publication of beneficial ownership information, to ensure that there is sufficient legal backing to allow for an effective collection and publication of beneficial ownership information. This includes
 - Adopting a definition of politically exposed persons (PEPs) in the legislation (2.5.f.ii) and ensure that there is no threshold for disclosing beneficial owners who are PEPs.
 - Ensuring the EITI reporting template for beneficial owners is in accordance with the requirements set by the Ministry of Justice, particularly regarding the threshold for disclosure.
 - Clarifying the competent authority responsible for maintaining the register of beneficial owners for the oil, gas and mining sectors.
 - Reviewing, at least annually, whether extractive companies effectively submit their information to the commercial registry and the cadastre.
 - Reviewing the data for comprehensiveness and accuracy, ensuring companies holding extractive (exploration and exploitation) licenses have disclosed their beneficial owners, and publishing the findings.
 - Adopting a risk-based approach to prioritise the disclosures and assessment on reliability of companies that are considered high-risk.

Mauritania is required to ensure that legal ownership information is available for all companies holding an extractive license.

To strengthen implementation, Mauritania is encouraged to enact a legal basis allowing beneficial ownership information to be publicly available for companies applying for, and holding, licenses in the extractive sector. Mauritania is encouraged to systematically disclose this beneficial ownership information. Mauritania is encouraged to consider the rigour of requirements in the stock exchanges of listed companies and ensure that these requirements and the actual disclosures correspond to the data points set out in the EITI Standard.

State participation (Requirements 2.6, 4.2, 4.5, 6.2)

Overview of progress in the module

Mauritania uses its EITI reporting for disclosing transactions related to state-owned enterprises (SOEs) operating in the extractive industries. The 2022 EITI Report identified SNIM and SMH as significant contributors to state revenues, shedding light on their roles and contributions to the country's economy. The MSG did not consider Maaden, established in 2020 to regulate artisanal mining activities, as an SOE, as the artisanal mining sector is not included in the scope of EITI reporting. The geological research service ANARPAM participates in some mining projects. The MSG should consider both companies in terms of potential materiality, given both entities actively participate in the extractives industries, the former through commercialisation of ASM gold and gold from semi-mechanised mining; the latter by holding minority equity interests in mining companies. In its comments to the draft assessment the MSG notes that the proposal has been taken forward for the 2023 EITI Report.

SNIM maintains a high level of public disclosures. It continues to publicly disclose audited financial statements annually that cover financial transactions, including dividends paid to the state, corporate taxes, and details of loans granted to subsidiaries. It has disclosed some quasi-fiscal expenditures and the Secretariat considers that the MSG should continue to disclose further information concerning these expenditures, while also reviewing the voluntary social expenditures undertaken by the SNIM foundation, covering areas such as healthcare, access to water and energy, education, local development, and cultural support. This is for the public to discern the full scale of SNIM's contribution to public services and infrastructure. The national oil company SMH has yet to publish any audited financial statements, although Mauritania's EITI reporting has been transparent about the SOE consistently running at a deficit in recent years. In its comments to the draft assessment, the MSG has noted that the financial statements of SMH have been published on the EITI website²⁶.

In 2021, [decree 2021-049](#) was passed renaming SMHPM (PM standing for 'patrimoine minier') to SMH and the statutes of the new company were published alongside the decree. The MSG may consider to review the reincorporation of SMHPM to SMH in view to understand any implications on the state's interest in oil, gas and mining projects, or to assess if the objectives for the change have been achieved.

Mauritania's EITI Reports also offer insights into the flow of funds between the SOEs and the state. SNIM has made significant tax payments and dividends to the state. However, the EITI Reports did not identify substantial transfers between the SOEs and the state apart from dividends and common tax payments. Nevertheless, SNIM's financial statements revealed loans

²⁶ See <http://cnitie.gov.mr/documentation/> - tab "états financiers", covering 2019-2022

granted to its subsidiaries, while SMH was granted loans for various projects, including its participation in the GTA gas project (see *Requirement 4.3*).

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement
State participation (Requirement #2.6) <i>Mostly met</i>	<p>The International Secretariat's assessment is that Requirement 2.6 is mostly met, which represents a regression from the previous Validation. Stakeholders consulted considered that the objective of ensuring an effective mechanism for transparency and accountability for well-governed SOEs and state participation was fully met. The Secretariat's assessment is that the objective is mostly met given that two further government structures were identified as participating in the value chain of the mining sector Maaden and ANARPAM, but the MSG has not yet discussed their qualification as SOEs, considered their role in the upstream activities and assessed their materiality. In its response to the draft assessment, the MSG notes that is taking this recommendation forward for the 2023 EITI Report.</p> <p>The EITI Report identifies two material SOEs – SMH in oil and gas and SNIM in mining – that generate significant extractive revenues according to the report and the data warehouse. However, the newly established entity Maaden²⁷ was not considered a material SOE for EITI reporting despite its role in the artisanal mining sector, recently replacing the central bank as the purchaser of gold produced by artisanal and semi-mechanised miners. According to beneficial ownership information, the government geological service <i>Agence Nationale de Recherches Géologiques et du Patrimoine Minier</i> (ANARPAM) holds equity interests in at least two companies: Tijirit, a material company, and Haitian mining, not a material company. There is no mention or discussion on the role of ANARPAM's mandate and practice in holding participating interests in exploitation licenses, nor about the materiality of ANARPAM, other than the EITI Report's recommendation to include ANARPAM in the scope of future EITI reporting. Even if those two structures are not material in terms of revenues, the question is if their practice corresponds to their mandate. For Maaden, given the rise in artisanal gold mining in recent years and change in mandate, covering the entity would allow the MSG to observe if the change in policy and practice are fulfilling the objectives of the changes, or if there are any recommendations to improve governance of the sector and the entity.</p> <p>As reflected in the SOEs' statutes, the role of SNIM is to promote mineral resource research and exploitation by conducting geological, mining, and petroleum research. It also engages in the extraction of hydrocarbons, operates industrial plants for mineral processing, and distributes and sells mineral substances. Additionally, it manages transportation infrastructure, including roads, railroads, and other means necessary for its operations. The company may also establish various industrial, commercial, financial, and real estate ventures related to its core activities and may invest in other relevant organizations. In oil and gas, the role of SMH is mainly to conduct all activities within Mauritania and its exclusive economic zone, including exploration, production, transportation, refining, and marketing on its own behalf or on behalf of the state or third parties.</p>

²⁷ public institution of an industrial and commercial nature

	<p>This includes requesting and managing oil contracts, operating storage facilities, infrastructure, and transportation networks for petroleum products, providing technical assistance, and engaging in related commercial and financial transactions. While Maaden was not identified as a SOE, the company established in 2020 is in charge of ensuring the safety of mineral exploitation activities, protecting the environment, and regulating the commercialization of gold resulting from artisanal and semi-industrial exploitation. The SOE grants licenses, provides technical supervision, and raises awareness of good practices to artisanal and semi-industrial exploiters. Maaden also regulates the use of chemicals, establishes infrastructure, searches for sources of financing, and reclaims and rehabilitates contaminated sites. Most recently it has taken on the role of commercialising gold from semi-mechanised mines and is moving into commercialising artisanal gold from the Central Bank.</p> <p>The SNIM statutes describe the statutory financial relations between SNIM and the state, including rules related to distribution of profits, retained earnings, reinvestments and third-party financing. The 2022 audit report of SNIM's financial statements provide information on the practice of financial relations between SNIM and the state, including the value of distribution of profits, retained earnings, reinvestments, and third-party financing in 2022.</p> <p>With regards to SMH, the SOE is fully owned by the State and its statutes establish its mandate and rules governing its functioning, including administrators and legal auditor nomination and shareholders meetings procedures, as well as rules of transfers of funds between the SOE and the State and describes the procedures related to SMH's distribution of profits, retained earnings, reinvestments, and third-party financing and procurement. According to stakeholder's consultations, the company's performance requires government support to secure any kind of loan or third-party financing. The 2022 EITI Report has confirmed that the company has been running at a deficit for several years, which was also verified by the 2022 audit report. Although the audit report is not public, it was shared with the Secretariat and the IA. During the commenting period, SMH submitted the financial statements to MR-EITI, which published those on the website.²⁸</p> <p>In terms of its fiscal regime, Article 44 of SMH statutes mentioned that the company follows the tax and customs regimes that are most advantageous to its business activities. In addition to the most favourable tax on profits, as defined by the tax regimes governing its operations, SMH is exempted from any kind of taxes, duties, levies, or contributions.</p> <p>With regards to SNIM interests and participations, the 2022 audit report of SNIM provides a comprehensive list of SNIM participation in other companies. It includes participations in extractive and non-extractive companies and the list of SNIM participation in Joint ventures. The consolidated financial statements of SNIM published in the annex of the 2021 annual report provided the comprehensive list of SNIM participation including the interests in JV.</p> <p>With regards to SMH participation in the extractive sector, The article 44 of the 2010 hydrocarbons code details its participation rules. The 2022 (unpublished) AFS and the 2022 EITI report provides the list of SMH participation in other companies. It includes participations in extractive companies and SMH participation in joint ventures. Given the change in incorporation in 2021, the</p>
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²⁸ See <http://cnitie.gov.mr/documentation/>, tab "Etats financier"

	<p>MSG may wish to review if there have been any changes in participation in oil and gas or mining companies.</p> <p>The minutes of the MSG meetings did not cover any discussions about the terms of the loan from the State to SNIM or from SNIM to other companies. Since 2011, SNIM has been consistently publishing its consolidated audited financial statements. The company has published its individual financial statements for 2022 and started publishing its CSR and annual report in 2020. The annual report contains information on SNIM's governance, including the list of board members, the board mandate, and nomination rules. It also includes the consolidated financial statements as of 2022, which provide information on expenditures and main subcontractors.</p> <p>Regarding SMH, the minutes of the MSG meeting did not cover any discussions related to the terms of the loan from the State to SMH or from SMH to other companies. SMH shared its 2022 AFS with the Secretariat, but they are not available on the SMH website or any other public page. In its comments to the draft assessment, the MSG shared the link to the EITI webpage where SMH's audited financial statements covering 2019-2022 have been published. The company's statutes provides information about the governance of SMH, including the list of board members, the board's mandate, and nomination rules.</p>
<p>Sale of the state's in-kind revenues (Requirement #4.2)</p> <p><i>Not applicable</i></p>	<p>The International Secretariat's assessment is that Requirement 4.2 is not applicable, as in the previous Validation. The requirement was applicable in the 2017 Validation for the oil and gas sector, when the Chinguetti oil field was still in operation. This requirement may become applicable for the oil and gas sector after GTA project goes live. There are no in-kind arrangements for the mining sector.</p> <p>There are opportunities to ask for more detailed iron ore sales data from SNIM, such as buyers, concentrate, value and volume by sale or aggregated annually by buyers. This would shed more light on who and for what price the SOE sells its own production for, given that SNIM is a key factor in the extraction and commercialisation of iron ore, and the public would be enabled to discuss the value achieved from the sale. Stakeholders consulted confirmed that neither the state nor SOEs collected any payments in kind.</p> <p><u>Documentation of progress in meeting company expectations companies – expectation 4 on disclosures of trades with SOEs</u></p> <p>As noted in the annual financial statements of SNIM, supporting company Glencore buys iron ore from the SOE SNIM. Glencore publishes volumes by commodity, incoterm and bill of landing date for trades with SNIM. AM/NS Arcelor Mittal is owned 50% by supporting company Arcelor Mittal, corporate Arcelor Mittal payments to government reports do not cover purchases of iron ore from Mauritania.</p>
<p>Transactions related to state-owned enterprises (Requirement #4.5)</p> <p><i>Fully met</i></p>	<p>The International Secretariat's assessment is that Requirement 4.5 is fully met, as in the previous Validation. Stakeholders consulted did not express particular opinions about the objective of ensuring the traceability of payments and transfers involving SOEs and strengthening public understanding of whether revenues accruable to the state are effectively transferred to the state and of the level of state financial support for SOEs.</p> <p>2022 EITI Report identified SNIM and SMH as SOEs material SOEs and described their role in the sector. Regarding SOEs' payments to the state, the 2022 EITI Report confirms that neither SOE acts as an intermediary collecting revenue on</p>

	<p>behalf of the state. The report describes the SOEs payments to the State, which includes, in addition to common tax payments, dividends distributed by SNIM, although the report indicated that SMH did not distribute dividends to the state in 2022 due to its financial performance.</p> <p>With regards to transfers between government entities and SOEs, the EITI Report did not identify any transfers from the state to the SOEs, nor any other transfer between the SOEs and the state aside from dividends and common tax payments. Although the review of 2022 SNIM financial report showed that SNIM granted the Najah loan for the development of the new Nouakchott airport. While Mauritania did not use its EITI reporting to follow up on that loan, EITI Mauritania presented a note in its website providing updated details about this loan.</p> <p>With regards to transfers between SOEs and companies, the EITI Report notes that SMH has always received financial support from oil operators in the form of "potentially repayable advances" under article 21.1 of the production sharing contracts (CEP). Furthermore, the note published on the EITI website shows that SMH has been granted a loan to fund its cost share in GTA project (see Requirement 4.3).</p> <p>With regards to transfers between SNIM and other companies, the audit report presented comprehensive information about the net value of the loans and advances granted by SNIM to its different subsidies in addition to dividends received in 2022.</p> <p>In addition, the EITI Report mentions that ANARPAM's Geological Documentation Centre, in addition to the annual government subsidy, receives training and capacity building fees from mining companies.</p>
<p>Quasi-fiscal expenditures (Requirement #6.2)</p> <p><i>Mostly met</i></p>	<p>The International Secretariat's assessment is that Requirement 6.2 is mostly met, which is a regression from the previous Validation. Stakeholders did not express particular opinions on the objective of ensuring that the extractives SOE-funded expenditures on behalf of the government that are not reflected in the national budget are disclosed to ensure accountability in their management. The Secretariat is of the view that while some information on quasi-fiscal expenditures (QFEs) has since been published, the MSG did not establish a reporting process for disclosing those expenditures. Moreover, the review is not comprehensive and does not systematically establish the value of quasi-fiscal expenditures on an annual basis. In its comments to the draft assessment, the MSG noted that it has initiated establishing a process for disclosing QFEs.</p> <p>While the EITI Report did not identify any quasi-fiscal expenditures, the MSG did adopt the IMF definition of quasi fiscal expenditure in October 2019, although the MSG did not establish reporting process for disclosure of quasi-fiscal expenditures and verify that these expenditures have been disclosed accordingly. According to this definition, the Secretariat identified several arrangements which could cause quasi-fiscal expenditures by SNIM.</p> <p>Loans on lent by the State to SNIM: EITI Mauritania has recently published a note regarding the loans transferred from the State to SNIM. The first loan was contracted in 1984 after the ACP/EEC Convention was signed in Lomé on December 08, 1984. Under the EEC's indicative aid program for Mauritania, the Mauritanian State was granted a loan of EUR 18 m to finance the SNIM rehabilitation project. The loan was transferred to SNIM. The note published provides details on the tenure of the loan, including the interest rate and the</p>

	<p>amount reimbursed in 2022. Nevertheless, the note did not provide the annual value of the QFE provided by the SNIM on behalf of the State.</p> <p>The second loan is related to the European Union granting the Mauritanian State a grant of 45 million euros dated February 07, 2003. The agreement provides for the retrocession of the subsidy in the form of a loan to SNIM for the renewal of the Nouadhibou mineral port. The note published provided details on the tenure of the loan. This transaction was qualified as a quasi-fiscal expenditure given that the SNIM is repaying the loan granted originally to the State. The loan is used by SNIM to finance the renewal of the port. The port is owned and managed by the government. The MSG did not verify whether this transaction falls under the definition adopted of quasi-fiscal expenditures and did not analyse this transaction to estimate the amount of expenditure supported by the SNIM on behalf of the State.</p> <p>Najah project: On 6th October 2011, the Mauritanian State and Société Najah For Major Works (NMW-SA) signed an agreement to build the new Nouakchott International Airport. The project was to be financed by NMW in exchange for a part of the land concession housing the old Nouakchott airport and a land reserve in the Moughataa of Tévragh Zeina. In 2013, NMW and the government approached SNIM for partial financing. SNIM provided a loan of MRU 14.3 million, which was guaranteed by the state and had an interest rate of 2.5% (8% on 5 years). In 2016, an addendum was signed by the three parties, according to which the Mauritanian state would substitute NAJAH for the repayment of the outstanding balance. In return, NMW-SA was to carry out a project on behalf of the state. The note published includes details on the tenure of the loan and the amount reimbursed in 2022. The MSG did not verify if this transaction falls under the definition adopted of quasi-fiscal expenditures and did not analyse this transaction to estimate the amount of expenditure supported by the SNIM on behalf of the State, especially to assess if the interest rate applied is in line with the market.</p> <p>SNIM Foundation Social activities: Several activities of a social nature are funded by the SNIM Foundation, the SNIM annual report provides an overview of the social activities funded by SNIM Foundation, the report mentioned that since 2007, SNIM set up its Foundation to structure its social activities, responding to the major social issues in the area in which it operates. The annual report identified five areas where the SNIM foundation intervened during 2022, including support for the health sector, access to water and energy for the population, support for the schools, local development in the railway corridor and subsidies to associations. The annual report did not provide the list of beneficiaries of those expenses nor did it provide detail on the financial management of the SNIM Foundation – its financial statements are not public. There is no evidence of the MSG discussing if the expenditures of the SNIM Foundation could be considered quasi-fiscal expenditures, and if so, which ones. It is also unclear if the SNIM Foundation 2022 overview is comprehensive of all social expenses undertaken, or if it only highlights some social activities.</p>
New corrective actions and recommendations	
	<ul style="list-style-type: none"> In accordance with Requirement 2.6, Mauritania should ensure that all state entities that are substantially engaged in the extractive industry value chain, such as MAADEN and ANARPAM, are considered for inclusion as material SOEs for EITI reporting to ensure full disclosures as per Requirement 2.6. To strengthen implementation, SMH is encouraged to disclose its annual financial statements on its website in a routine manner.

- To strengthen implementation of Requirement 4.2, Mauritania is encouraged to consider publishing information on the buyers, volume and value of the sales of SNIM's iron ore. Trading companies and the government are encouraged to publish the underlying contracts.
- To strengthen implementation of Requirement 4.5, Mauritania is encouraged to follow-up on the outcome of the definition of MAADEN and ANARPAM as SOEs and their materiality, and consider publishing all material transactions involving SOEs in the artisanal mining sector publicly in a comprehensive and reliable manner, including SOE transfers to the state and any state financial support transferred to the SOEs. To strengthen implementation, Mauritania EITI is encouraged to work with SMH and Maaden to strengthen their systematically disclosed information on their respective corporate websites.
- In accordance with Requirement 6.2, Mauritania should ensure public disclosures of extractive SOEs' quasi fiscal expenditures through a reporting process that achieves a level of transparency commensurate with other payments and revenue streams and includes SOE subsidiaries and joint ventures. The MSG should annually review whether any of the expenditures by SOEs including SNIM and its foundation could be considered quasi-fiscal expenditures and ensure their comprehensive disclosure in accordance with Requirement 6.2.

Production and exports (Requirements 3.2, 3.3)

Overview of progress in the module

Mauritania has continued to use its EITI reporting to disclose data concerning production and export volumes and their corresponding values. For production, only data on the three reconciled companies were published. Mauritania has opportunities to enhance transparency by describing the methodologies employed in calculating extractive commodity production and export volumes, and their values. Including estimates of informal artisanal gold mining exports in future reporting would enable understand the approximate level of leakage if compared to estimated production figures.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement
Production (Requirement #3.2) <i>Fully met</i>	<p>The International Secretariat's assessment is that Requirement 3.2 is fully met, as in the previous Validation. The Secretariat's view is that the 2022 EITI Report only covers the three companies reconciled in the report rather than the total volumes and value of extractives production for mining, given the lack of oil and gas production in 2022. Consulted stakeholders did not express any views on progress towards this objective. Hence the underlying objective of ensuring public understanding of extractive commodity production levels and their valuation through EITI reporting is not yet fulfilled. In its comments to the draft assessment the MSG noted that of the companies holding exploitation licenses, only SNIM, MCM and Tasiast effectively produce. Mauritania's EITI reporting provides detailed information on mineral production per commodity and project of the three reporting companies (SNIM, MCM, Tasiast), including estimates of artisanal mining production. The report does not describe the methodology for tracking and calculating production volumes and values, which is encouraged. During</p>

	consultations, the IA acknowledged the lack of comprehensive production figures which would allow the public to understand the overall production volume and value per commodity, and what percentage thereof comes from the three reporting companies. Mauritania is encouraged to ensure that production data from quarrying companies are included in future EITI reporting and systematic disclosures.
Exports (Requirement #3.3) <i>Fully met</i>	<p>The International Secretariat's assessment is that Requirement 3.3 is fully met, as in the previous Validation. The Secretariat's view is that Mauritania effectively achieves the objective of ensuring public understanding of extractive commodities export levels and the valuation by using EITI reporting to publish data on the volume and value of mining exports in Table 30. Consulted stakeholders did not express any views on progress towards this objective.</p> <p>Export data is available by company and commodity for the three reporting companies in the mining sector (no hydrocarbon exports since the commodity was not produced in 2022). The 2022 Report does not contain a description of the methodology for tracking and calculating export volumes and values, which is encouraged. The Report notes that 70% of artisanal gold is commercialised through informal networks, implying that for 2021 a large share was smuggled out.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> To strengthen the implementation of Requirement 3.2, Mauritania is encouraged to collaborate with relevant government entities to strengthen systematic disclosures of production volumes and values across all extractive commodities. Mauritania should ensure that it also includes production figures of quarrying companies that hold active licenses in the year under review. Furthermore, Mauritania could expand its use of EITI reporting by including sources and methodologies for calculating production volumes and values. Mauritania could further consider an assessment of the risk of smuggling in the artisanal and small-scale mining sector, and its weight compared to the formal sector. To strengthen the implementation of Requirement 3.3, Mauritania is encouraged to collaborate with relevant government entities to strengthen systematic disclosures of export volumes and values across all extractive commodities and assess the reliability of export information. Expanding the use of EITI reporting could involve ensuring that extractive export data is further disaggregated by region, company, or project, along with the inclusion of sources and methodologies for calculating export volumes and values. Furthermore, Mauritania could expand its use of EITI reporting to disclose estimated export data of artisanal and small-scale gold mining. Mauritania is encouraged to clearly identify in EITI reporting and its data warehouse if the export data includes all companies or only reporting companies. 	

Revenue collection (Requirements 4.1, 4.3, 4.4, 4.7, 4.8, 4.9)

Overview of progress in the module

Mauritania has innovated on the data collection and publication of revenue data in the extractive sector. It is one of the two countries (besides Germany) that is participating in the EITI pilot for alternative approaches to reconciliation. The MSG's work on developing a risk-based approach and significantly improving the timeliness of EITI reporting, publishing financial and other data within 12 months of the end of the fiscal year, is commendable. This has required efforts by all reporting entities to contribute with more frequent data submission while maintaining a degree of

data assurances. The quality assurance approach developed as part of the pilot essentially singles out the largest payees for reconciliation. This Validation also identifies gaps in the comprehensiveness of the revenue data in the EITI Report and the data warehouse and includes recommendations on how to improve the data disclosures and to inform the risk-based approach to quality assurances.

Stakeholders from all constituencies are supportive of the new form of reporting, both in terms of submitting the data in a timelier manner, the approach to focus reconciliation on the three main companies operating in Mauritania – Tasiast, MCM and SNIM – and for the added data analysis and contextual information provided on the sector's performance in the year(s) under review. Mauritania has now published three EITI Reports following this new approach, covering four fiscal years. Company stakeholders noted however that there was a need to allow for more time for comment between the draft report and the final report, to allow the MSG and the IA to add explanations to sufficiently contextualise the information in the EITI Report, in particular on the analysis of payments. Companies have also noted that the automatic reconciliation function of the data warehouse is misleading, as it shows the government receipts and gaps on payment of companies, where those payments could not yet be isolated in the same manner on the company end for the purpose of comparing revenue streams. Finally, while the recommendations are pertinent to improve the overall governance, several of them are vague and not actionable.

In the following analysis the Secretariat distinguishes between the disclosures of the EITI Report, the data warehouse (DW) and the summary data file, which contains the financial revenue data disaggregated by payment stream, company and project, where applicable.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement
Comprehensive disclosure of taxes and revenues (Requirement #4.1) <i>Fully met</i>	<p>The International Secretariat's assessment is that Requirement 4.1 is fully met, as in the previous Validation. Stakeholder views were that the main contributing companies have reported, and that the government provided all the necessary data. Stakeholders from all constituencies were of the view that the underlying objective, to ensure comprehensive disclosures of company payments and government revenues from oil, gas and mining as the basis for detailed public understanding of the contribution of the extractive industries to government revenues, was met. The Secretariat has identified gaps on total extractives revenue disclosures, the definite list of material companies both for oil and gas and for mining, which it deems necessary for the reader to determine the percentage contribution of the material companies to overall extractive industry revenues, as well as the percentage contribution of material companies to those. As there are no concerns about the comprehensiveness from stakeholders, and the data on full government revenues was submitted and published during the consultation period, the Secretariat suggests the Board exercises its discretion to weigh the minor technical gap against the objective, which the Secretariat sees as being fulfilled. The Secretariat strongly recommends the MSG to ensure that the required data is included in the EITI Report and / or on the data warehouse moving forward.</p> <p>The EITI Report specifies the materiality threshold for selecting material companies for EITI reporting, namely license-holders that make total payments to government of more than USD 100,000. The report lists and describes the</p>

	<p>revenue streams, and they are in accordance with 4.1.(b). The Secretariat notes that the EITI Report and data warehouse do not contain the full government revenue disclosure of companies holding extractive licenses. The data warehouse includes companies that do not hold licenses (such as Schlumberger) among the data from government – hence the full extractive revenues disclosures on the data warehouse are not the correct indicator. In the data collection process the full government disclosure of extractives revenues was omitted in the EITI Report but has since been made available through an updated summary data file.²⁹</p> <p>The EITI Report, however, does not list the definitive names of the companies that were considered material as well as their percentage contribution of total extractive revenues. The EITI Report states that nine mining companies and six oil and gas companies were considered material³⁰, of which one does not hold a license (Tullow) (total 15). MSG meeting minutes from October 2023 note that two mining companies were removed as they were not part of the cadastre; the summary data file contains 11 reporting companies (six mining, five oil and gas) and the data warehouse notes submissions by six companies (three oil and gas, three mining). Hence the list of material companies selected for EITI reporting is unclear. However, the Secretariat notes that the impact of the non-reporting companies is marginal. Based on calculations from the summary data and the evidence collected through the Validation consultations, the reconciliation coverage is over 99% given that already the three mining companies SNIM, Kinross and MCM account for over 95% of payments to government from the sector, and all oil majors (with the exception of Capricorn) have submitted their payment data.</p> <p>The views of stakeholders have been that the report was very informative and analytical, covering the three largest contributors and hence the omissions by non-reporting companies were not considered material. The aim had been to have a shorter EITI Report, although it would have been possible to publish full government revenue data as an annexe.</p> <p>On reporting from government, the EITI Report states that all government entities have submitted their templates to the data warehouse. Consultations found that there is one payment (environmental commission payment, commission environnementale) which is not paid to the FNRH, but to a central bank account, which is also clarified in a note on the environmental commission payment by MPME, and thus off-budget. The amount is negligible (less than 1 %).</p> <p>The way the payments are listed in the data warehouse can be confusing, as it is the government units submitting the payment order (ordonnance) that are listed in the data warehouse, as opposed to the recipient of the payment.</p> <p><u>Reporting by EITI supporting companies</u></p> <p>Tullow oil, listed as reporting company in the scoping study, does not seem to hold a license in the period under review and hence does not qualify as a material company in the Secretariate's view. The other EITI supporting companies BP, Shell, Total and Kinross (Tasiast) reported their data. Glencore did not make payments to government under the EITI Standard.</p> <p>The MSG may wish to introduce a materiality threshold for companies to avoid the non-disclosure of some companies with payments over USD 100k to be a</p>
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²⁹ See <http://cnitie.gov.mr/donnees-resumees/>, file 2022 fichier données résumées 22.03.24

³⁰ All oil and gas companies who are main license holder (operator) were included despite them not producing

	<p>gap; different thresholds can be used for different sectors. The MSG may also wish to consult ESTMA and EU payment to government filings, to cross check the data received by government on comprehensiveness.³¹</p>
<p>Infrastructure provisions and barter arrangements (Requirement #4.3)</p> <p><i>Mostly met</i></p>	<p>The International Secretariat's assessment is that Requirement 4.3 is mostly met. In the previous Validation this requirement was not yet applicable. Stakeholders consulted did not express particular opinions about the objective of ensuring public understanding of infrastructure provisions and barter-type arrangements, which can provide a significant share of government benefits from an extractive project. The Secretariat's view is that the objective is mostly met since disclosures on the prefinancing agreement involving SMH, backed by future gas revenues, do not provide sufficient detail on the nature and value of the counterpart granted by SMH, in exchange for the prefinancing received. In its comments to the draft report SMH provided additional details on the agreement. Given that the disclosures are recent and have not yet been discussed at the MSG, the Secretariat is of the view that this requirement remains 'mostly met'.</p> <p>The 2022 EITI Report did not identify any barter arrangements. However, Validation identified that SMH had concluded a similar GTA prefinancing agreement as its Senegalese counterpart Petrosen. The prefinancing agreement is backed by SMH's share of future gas production and hence qualifies as a resource-backed loan. EITI Mauritania published a note on its website providing further details on this prefinancing agreement. The note mentions that the GTA project is being developed jointly by Mauritania and Senegal on the basis of an Inter-State Agreement defining the cooperation and coordination mechanisms between the two States with 14% to SMH, acting on behalf of the Mauritanian State and Petrosen, on behalf of Senegalese State for 20%. The field contractors, whose lead partner is BP, includes KOSMOS Energy. The production sharing contract (PSC) for this field is available on the MPME website (dated 5 April 2012). In February 2023, the states and the contractors agreed on a concept for the second phase of the project. SMH's contribution to the costs, similar to PETROSEN, was financed through prefinancing contracts negotiated with BP and Kosmos, signed in February 2019. These contracts include identical terms for SMH and PETROSEN and repayment from Phase I revenues of the project and a portion of revenues from future phases of the project.</p> <p>The repayment schedule for the prefinancing, which will be agreed between the parties following the start of production, is to consider the projected schedule of cash flows from the project and operating costs, although given the delay in the production start, stakeholders consulted mentioned that the schedule is not yet finalised.</p> <p>While the remaining amount has been disclosed in addition to the amount of interest paid until 2023, the note published did not provide the interest rate applicable for this prefinancing agreement, nor the selection method for the lenders. Stakeholders consulted mentioned that BP was granted the right to future sales of production for 10 years as part of the loan agreement, although this information was not confirmed in the note published. Consultations with government noted that it was important for revenue projections to understand the implication of the resource-backed loan on government income over time. In its comments to the draft report, SMH clarified some aspects in a new note. It</p>

³¹ Check of ESTMA disclosures identified [AYA Gold and Silver](#) which made payments to government in 2021, but not in 2022. According to the company website it holds a 26-year active license permit, which could not be corroborated with the [mining cadastre](#)

	clarifies that the duration of the loan is 17 years. The note does not reveal the interest rate but states that it 'corresponds to market rates' at the time of conclusion of the contract. It provides more detail on the repayment modalities but does not specify the duration of the two phases of the repayment. It includes projections on the future production of BP and supplementary information on the process of selecting the lenders (the selection was 'non-traditional' given the urgency to start the project) and explains why the agreement was not presented to Parliament, and the loan is not reflected in the national budget as expense.
Transportation revenues (Requirement #4.4) <i>Not applicable</i>	<p>The International Secretariat's assessment is that Requirement 4.4 is not applicable, as in the previous Validation. While iron ore is transported by train from Zouerate to the Port of Nouadhibou, the rail line is run by SNIM and so is the mine.</p> <p>There are intentions³² to establish a pipeline to transport gas from GTA to the port of Ndiago, but this is only in a study phase and it is not clear if the government will own this pipeline.</p>
Level of disaggregation (Requirement #4.7) <i>Mostly met</i>	<p>The International Secretariat's assessment is that Requirement 4.7 is mostly met, which constitutes a regression from the previous Validation. There is insufficient documentation on whether the MSG has determined what revenue streams are levied on project level. All oil and gas disclosures are de facto made at a project level as each block has its own incorporated subsidiary, but the payments are aggregated in the EITI Report. For mining, company stakeholders noted that Tasiast, MCM and SNIM each operate one mine, meaning that all disclosures are de facto on project basis. However, the payment data is missing the association with the project name and SNIM holds two exploitation licenses.</p> <p>During consultations the national secretariat noted that the MSG had agreed that the revenues that are cited in the contracts would be considered as levied by project, and that a project was defined by the existence of a contract associated with a license – which applies to exploitation licenses that are producing. This was confirmed in the minutes of a working group, which was held during the report drafting period. The MSG meeting minutes and the list of revenues that were considered levied on project-level were not available at the time of drafting this report. The projects were not associated with payments in the summary data file submitted during consultation. In addition, the EITI Report presents production figures from SNIM divided by three different projects (Kedia, M'haoudat, Guelbs), which indicates that there are three projects, not just one, for SNIM. Finally, based on a review of payments to government disclosures from EITI supporting companies active in Mauritania, payments are available on project-level for oil and gas companies, e.g. the signature bonus payment by BP for the BirAllah license in 2022. Payment to government reports however do not present payment streams in a sufficiently disaggregated way. There are opportunities for the MSG to draw on public company disclosures to inform the disaggregation by project. As a first step, the projects can be listed as part of the summary data template and then associated with the identified revenue streams in section 5 of the summary data submission.</p> <p><u>Documentation of progress in meeting supporting company expectations (nr 3) on project-level disclosures</u></p>

³² See coverage from 30 April 2024: <https://www.kapitalafrik.com/2024/04/30/after-senegal-the-saudi-company-acwa-power-secures-an-important-project-in-mauritania/>

	<p>The Secretariat has reviewed ESTMA and payment to government filings for Kinross (Tasiast), BP, Shell and Total. There are no disclosures on Mauritania in the filing from Shell, even though they report revenues in Mauritania for the year under review through the EITI. All other companies provide disclosures on the level of the project. Kinross only operates one mine in Mauritania.</p>
<p>Data timeliness (Requirement #4.8)</p> <p><i>Exceeded</i></p>	<p>The International Secretariat's assessment is that Requirement 4.8 is exceeded, an improvement on the previous Validation. EITI Mauritania published its 2022 EITI Report within less than 12 months of the end of the financial year. This assessment reflects the efforts of all reporting entities to contribute with data sets in structured format in a timely manner to allow for relevant sector data to be published through a contextualised report, besides on the data warehouse.</p> <p>The 2022 Report was published on 14 October 2023. While the previous reports were not published in such a timely manner, this was mainly due to COVID-19 slowing down government and company submissions to the data warehouse.</p>
<p>Data quality and assurance (Requirement #4.9)</p> <p><i>Fully met</i></p>	<p>The International Secretariat's assessment is that Requirement 4.9 is fully met, as in the previous Validation. The Secretariat's view is that the alternative approach to data quality and assurances, relying on a risk-based approach reconciling the most material company payments to government revenues, accompanied by a review of audit practices of reporting entities, fulfils the underlying objective of ensuring that stakeholders have confidence in the reliability of the financial data on payments and revenues. The requirement is not yet exceeded as this Validation finds several areas for improvement to strengthen the quality of data that is made available through the data warehouse, as well as the elaboration of the report to ensure sufficient context is provided to explain the level of payments made. Stakeholders from all constituencies supported this pilot approach. Civil society in particular was of the view that the provision of contextual information built their capacity in understanding of payments to government. Company stakeholders' views were divergent on the characterisation of the quality of the reporting process and their contributions to revenues. Government stakeholders noted that the reporting process has improved their internal systems and recommendations from previous reporting have had a positive impact on their financial management performance.</p> <p>The EITI Report outlines the methodology of elaborating the report. The risk-based approach considers the following variables: payments submitted to the data warehouse, production and export figures by company, information on active licenses in the cadastre for the year under review. The second pillar is the review and assessment of the adequacy of audit and assurance practices of government and material companies. The report includes an assessment on the reliability and comprehensiveness of the financial data and includes a summary of the work undertaken by the IA. The description of audit practices highlights weaknesses in particular in government audits, and to some degree, of company audits. The EITI Report indicates the coverage of the reconciliation exercise, but limitations to the understanding of comprehensiveness have been described under Requirement 4.1. The Secretariat's view is that those weaknesses do not affect the overall comprehensiveness of financial disclosures. Improving the description of the initial companies identified as material, and the rationale and list of final selection of material companies would improve the understanding of coverage, and allow the reader to understand which companies failed to report. In effect, reconciliation was carried out with the three largest companies in terms of revenues to government: SNIM, Tasiast and MCM. For the other material companies the data was not reconciled. To strengthen the understanding of</p>

	<p>coverage the MSG could consider comparing the coverage of material companies and companies that were reconciled with overall production figures by commodity. That would ensure that companies that had material production, but did not make material payments, are identified, and, if part of the MSG's risk-based approach, reconciled. A further approach could be to compare public payments to government disclosures of the companies that publish those and compare them with the company EITI disclosures. The IA stated in consultations that that was done; a note on the findings would further enhance the understanding of data reliability and provide a supplementary assurance.</p> <p>The EITI Report does not describe the assurances reporting entities must provide with the data submissions. Consultations established that companies submit the data only once the company audit for that financial year has been finalised. Government entities issuing the payment amounts submit the invoiced amounts to the data warehouse and those are compared with the treasury receipt. Government reporting entities confirmed that the submission of financial data undergoes an internal verification and is signed-off by a finance manager. To strengthen implementation, a description of the assurances provided in addition to the audit practices could add a level of confidence in the reliability of the data.</p> <p>All stakeholders noted that the data warehouse (DW), a public platform where the national secretariat uploads the data submissions in structured format from reporting entities, has streamlined reporting and allowed for improvements in timeliness to reporting. At times challenges were encountered with getting the data in the correct standardised format, and it hasn't reduced the reporting burden as such from companies. Government stakeholders have stated that reporting has become a more routine exercise and has contributed to improvements of their internal management systems. The national secretariat noted limitations to making changes to the platform and that a rebuild may be necessary to make the necessary changes when new payment types are identified. The data uploaded to the platform is published live immediately when the data is added and performs an automatic reconciliation where the payee, recipient and payment type are the same. The data is not changed after the reconciliation exercise by the IA has led to adjustment of payment figures. Hence the data on the DW is pre-reconciliation and does not reflect the data in the EITI Report. To continue using the data warehouse to facilitate data collection and preliminary reconciliation, but to increase the reliability of the data published on the DW, the Secretariat recommends that Mauritania EITI considers splitting data collection and preliminary reconciliation, and publication of data, into two separate environments. The first, which digests the raw data and provides a first reconciliation could be considered as a pre-production environment, while the public facing platform would have the reviewed data published, which would then match the EITI Report. The public-facing portal could also include some information on the source of data and assurances provided (per reporting entity), as well as the existing data export function and data visualisation. The MSG or national secretariat may wish to carry out a review with users or potential users on the pertinence of 'automatic flagging of discrepancies', as this can be misunderstood and may be due to unmatched payments, which are adjusted manually through reconciliation. The retention of historical data is achieved through the DW. It contains data starting with 2015.</p> <p>The DW would further benefit of more guidance on use, sources of data (revenues, production, exports) and on navigation. The sources of data on production and exports is not disclosed (government disclosures or company disclosures) and there is no information on quality assurances carried out on those. The information on licenses and beneficial owners is outdated and the</p>
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	<p>MSG should consider replacing that data with links to either systematic disclosures (for example for the mining cadastre) and/or more up-to data EITI disclosures (in EITI Report or on the MR-EITI website, to avoid confusion.</p> <p>Further improvements could include converting currencies from MRU to USD and vice versa, as currently all payments to government from oil and gas companies are visible when selecting the currency USD, and mining revenues when selecting MRU. Finally, the platform does not yet allow to attribute some payments to projects. For the time being, EITI reporting and the submission of summary data is still a necessary step to obtain comprehensive and sufficiently disaggregated data.</p> <p>While timeliness has improved, company stakeholders have noted that the timelines between receiving the draft report and adoption of the report had been to limited to fully address their concerns. These relate mainly on the contextualisation of revenue data compared to contractual requirements. For the elaboration of the next report, the MSG is advised to discuss a timeline that all stakeholders can agree with, while not extending the timelines too far which would mean less timely disclosures.</p> <p>The EITI Report documents whether the participating companies and government entities had their financial statements audited in the financial year covered by the report and issues an opinion on the standard of the audit, as well as the availability of financial statements and their notes. It does not provide direct links to the statements, neither through the report, nor through the summary data file or via the DW.</p> <p>The Independent Administrator included a range of recommendations for strengthening the reporting process in the future, including any recommendations regarding audit practices and reforms needed to bring them in line with international standards, and where appropriate, recommendations for other extractive sector reforms related to strengthening the impact of implementation of the EITI on natural resource governance.</p> <p><u>Documentation of progress in meeting supporting company expectations (nr 5) on the public access to audited financial statements</u></p> <p>All EITI supporting companies published financial statement for the year under review: BP, Shell, TotalEnergies, Kinross (Tasiat).</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> To strengthen implementation of Requirement 4.1, the Mauritania should ensure that the full government extractive sector revenues is disclosed systematically or through EITI reporting. Mauritania is to publish the full list of material companies and their percentage contribution to extractive revenues. To improve the understanding of coverage, EITI reporting could clearly state the percentage of material companies that reported, and the relationship to comprehensiveness. In accordance with the Requirement 4.3, Mauritania EITI should gain a full understanding of the terms of the relevant agreements and contracts that constitute barter-type arrangements in accordance with Requirement 4.3, the parties involved, the resources which have been pledged by the state, the value of the balancing benefit stream (e.g. infrastructure works), and the materiality of these agreements relative to conventional lending agreements. The MSG is required to ensure that EITI implementation addresses these agreements and disclosures provide a level of detail and disaggregation commensurate with the other payments and 	

revenue streams. The MSG is required to agree a procedure to address data quality and assurance of the information set out above, in accordance with Requirement 4.9.

- In accordance with Requirement 4.7, Mauritania should define all revenues levied on project level and present a list of projects per company, according to the MSG's definition, which should be in line with Requirement 4.7. Mauritania should disaggregate the revenues by project, where applicable.
- To strengthen implementation of Requirement 4.9, and to further strengthen its risk-based approach, Mauritania is encouraged to provide links to payments to government filings of the companies reporting such payments under the ESTMA or EU/UK reporting regimes. The MSG is encouraged to take into consideration further approaches highlighted in the assessment.

Revenue management (Requirements 5.1, 5.3)

Overview of progress in the module

Since the previous Validation, systematic disclosures of budget documents have remained on a consistent level. Mauritania systematically discloses monthly financial statements on income of the treasury, including separate line items for non-fiscal revenues from the mining and oil and gas sector. The Ministry of Finance also publishes timely budget execution reports. The EITI Report includes and description of the audit process.

There is potential for Mauritania EITI to contribute to public understanding and debate through undertaking revenue projections, in particular on GTA given that the field will soon go online, continued public debate on costs and the impact of the resource-backed loan which was identified in this Validation on future revenues to the National Fund for Hydrocarbon Reserves (FNRH). Building on existing practice of analysing key drivers such as commodity prices on revenues, which to date have been backward-looking, Mauritania EITI could provide a key contribution to managing expectations on the expected revenues from the oil and gas sector. There is also opportunity to improve public disclosures on the management and audit of FNRH as this fund will only grow as gas projects go online.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement
Distribution of extractive industry revenues (Requirement #5.1) <i>Fully met</i>	<p>The International Secretariat's assessment is that Requirement 5.1 is fully met, as in the previous Validation. The Secretariat's view is that the objective of ensuring the traceability of extractive revenues to the national budget and ensuring the same level of transparency and accountability for extractive revenues that are not recorded in the national budget is fulfilled despite small gaps that are not considered material. Government stakeholders were of the view that systematic disclosures on EI revenues were a key strength in Mauritania. EITI reporting notes that there are improvements on the transparency of the management of FNRH, which contributes to the EITI being used as a diagnostic to improve public accountability of the fund's management.</p>

	<p>The 2022 EITI Report outlines that Mauritania adheres to the principles of public accounting, requiring all extractive sector revenues to be deposited into the government's treasury (single account). The FNRH collects payments from petroleum companies and its balance is recorded in the systematically disclosed monthly financial statements from the treasury, known as the TOFE (Tableau des opérations financières de l'état). Those detail the non-fiscal income from the oil, gas and mining sectors. The yearly review includes the degree of collection of taxes achieved in comparison to the expected revenues. Those statements also demonstrate that while payments to the FNRH were recorded, no funds were drawn from it in 2022.</p> <p>On FNRH, while the balance is known and the allocation of FNRH funds can be traced through the TOFE with a three-month delay, the lack of recent financial statement or audit reports has been raised by the EITI Report and by partners. This is an area of improvement for the governance of the sector, as more revenues are expected to enter this fund with the GTA and other future projects coming online.</p> <p>Only a small payment for the environmental commission does not seem to be recorded either in the budget or the treasury, but it is covered as a payment through EITI reporting (see also Requirement 5.3) and below 1% of total EI revenues, hence the Secretariat is of the view that this is a non-material gap.</p> <p>Neither SNIM nor SMH collect any revenues. SMH did not record profits in 2021 and SNIM's financial statements are available.</p> <p>The summary data template submitted during consultations includes references to the IMF's Government Finance Statistics (GFS) classification.</p>
<p>Revenue management and expenditures (Requirement #5.3)</p> <p><i>Fully met</i></p>	<p>The International Secretariat's assessment is that Requirement 5.3 is fully met. While EITI reporting or systematic disclosures do not yet describe the country's budget process and Validation identified a possible gap of a small, earmarked revenue, Mauritania has a solid record of systematic disclosures on the execution of the budget. The EITI Report dedicates a chapter describing the audit mechanisms in government and includes a brief projection of expected revenues for the GTA. There were no particular views from stakeholders on the achievement of the underlying objective of strengthening public oversight of the management of extractive revenues. While the Secretariat has identified opportunities to strengthen the EITI's role in forward-looking revenue projection, it is of the view that the level of systematic disclosures on the budget execution is worth being highlighted as good practice.</p> <p>The Treasury's website systematically discloses some information on revenue management and expenditures by the government, including the publication of the annual finance law and quarterly budget execution reports. It also discloses other key budget execution documents, such as the Final Budget Settlement Act, decrees (for example on the budgetary and accounting instructions for local authorities), and circulars (for example on the procedure for managing deposit accounts).</p> <p>Validation has identified one earmarked revenue, an environmental fee paid by oil and gas operators to a Bank of Mauritania account which is off-budget. While there is information on the amount in the EITI Report, there are no public documents that detail the use of the funds for the year under review. An explanatory note on the commission states that the payments are off-budget, and the accounts are audited every year, but these audits are not publicly</p>

	<p>available to the Secretariat's knowledge. An extra note from SMH notes that the secretariat of that commission is hosted by SMH. Given that the amount is less than 1% of oil and gas revenues, the Secretariat is of the view that the gap is not material, but calls on the MSG to include information on the use of those funds in forthcoming reporting. In the minutes of a working group held during the drafting phase, the government noted that the environmental commission collected both contributions from oil and gas companies as well as subsidies from the government. The MSG should ensure that EITI reporting clarifies where the account is located, where the balance of the account is published on a yearly basis and to include any material payments by companies in forthcoming reporting. The EITI may also review the use of funds for this account and if it is in line with the statutory rules.</p> <p>The EITI Report includes an overview of the evolution of main government budget indicators, drawing on IMF disclosures. Furthermore, a dedicated chapter describes the audit and control mechanisms for government revenue management in Mauritania.</p> <p>There is a short section with a revenue forecast for the GTA gas project. There are opportunities for the MSG to include forward-looking revenue assumptions in forthcoming reports. For example, the MSG may wish to model future revenues from the oil sector based on expected commencement of production, price of production and sale of the gas, minus the repayment of the prefinanced loan for GTA. This would build understanding and manage expectations in what range future oil and gas revenues will be.</p> <p>There is no information on future budget cycle assumptions, such as projected production, commodity prices, and revenue forecasts from the extractive industries (with the exception of the one mentioned above), which is encouraged.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> • To strengthen implementation of Requirement 5.1, Mauritania is encouraged to systematically disclose the audit reports of FNRH and ensure that the financial statements are publicly available. • To strengthen implementation of Requirement 5.3, Mauritania is encouraged to systematically disclose a description of the country's budget elaboration. Mauritania is encouraged to systematically disclose the use of the funds allocated to the environmental commission and to review the use of those funds. To contribute to a fact-based discussion on the contribution of the oil sector to Mauritania's FNRH and treasury, the MSG is encouraged to consider using the modelling revenue of GTA as published in the green hydrogen study to understand how the prefinancing agreement will affect the revenues effectively collected in the coming years, under different price scenarios. 	

Subnational contribution (Requirements 4.6, 5.2, 6.1)

Overview of progress in the module

Mauritania is a centralised country, and despite some efforts in decentralisation there are no subnational payments or transfers that are foreseen in the legal framework, nor have they been observed in the period under review.

Mandatory payments exist for environmental payments in the oil and gas sector and those have been disclosed by companies. Given that the voluntary social payments are of interest to civil society, companies are encouraged to disclose the recipients of those payments. .

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement
Subnational payments (Requirement #4.6) <i>Not applicable</i>	<p>The International Secretariat's assessment is that Requirement 4.6 is not applicable, as in the previous Validation. The legal framework does not foresee any subnational payments and EITI reporting did not find any evidence that any subnational payments were undertaken in practice.</p>
Subnational transfers (Requirement #5.2) <i>Not applicable</i>	<p>The International Secretariat's assessment is that Requirement 5.2 is not applicable, as in the previous Validation. The legal framework does not foresee any subnational transfers and EITI reporting did not find any evidence that any subnational transfers were undertaken in practice.</p>
Social and environmental expenditures (Requirement #6.1) <i>Fully met</i>	<p>The Secretariat's assessment is that Requirement 6.1 is fully met, whereas it was previously considered 'not applicable'. There is one mandatory environmental payment for oil and gas companies which is held off-budget and the amount is listed in the EITI Report. There are no mandatory social payments. The total value of voluntary social payments is disclosed by company, but not reconciled, which is encouraged. Civil society's view is that the disclosures are pertinent and view the objective as fulfilled. One company stakeholder was of the view that the data on voluntary payments was mischaracterised. The Secretariat is of the view that the objective is fully met, as the report states that all social payments are voluntary and not yet exceeded, as the beneficiaries are not published.</p> <p>There are no mandatory social payments, neither in mining, nor in oil and gas. Mining companies undertake voluntary payments and the value of those are published for SNIM, Tasiast and MCM, including what share that contribution represents to their revenues. There is one mandatory environmental payment for oil and gas companies that is off-budget, as per the note published on this matter. The EITI report notes the level of environmental payments made by the operator. The accounts are audited yearly.</p> <p>Given the interest of civil society in voluntary social payments, the MSG may consider disclosing by material company the beneficiaries of social voluntary payments. If companies disclose these payments by beneficiaries in CSR type reports, EITI reporting could provide links to those sources.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> To strengthen implementation of Requirement 6.1, the MSG could disclose by company the beneficiaries of social voluntary payments. 	

Background

Overview of the extractive industries

An overview of the extractive industries is accessible on the [country page](#) of the EITI webpage for Mauritania.

History of EITI implementation

The history of implementation is accessible on the [country page](#) of the EITI webpage for Mauritania.

Explanation of the Validation process

An overview of the Validation process is available on the EITI website.³³ The [Validation Guide](#) provides detailed guidance on assessing EITI Requirements, while the more detailed [Validation procedure](#) include a standardised procedure for undertaking Validation by the EITI International Secretariat.

The International Secretariat's country implementation support team include Ahmed Zouari and Nassim Bennani, while the Validation team was comprised of Christina Berger, Ahmed Zouari and Melina Ackermann. The internal review for quality assurance was conducted by Nassim Bennani, Gisela Granado, Bady Balde and Riley Zecca.

Confidentiality

The detailed data collection and assessment templates are publicly accessible, on the internal Validation Committee page [here](#).

The practice in attribution of stakeholder comments in EITI Validation reports is by constituency, without naming the stakeholder or its organisation. Where requested, the confidentiality of stakeholders' identities is respected, and comments are not attributed by constituency. This draft report is shared with stakeholders for consultation purposes and remains confidential as a working document until the Board takes a decision on the matter.

Timeline of Validation

The Validation of Mauritania commenced on 1 January 2024. A public call for stakeholder views was issued on 1 October 2023. Stakeholder consultations were held in-person from 12-15 February. The draft Validation report was finalised on 14 June. Following comments from the MSG expected on 15 July, the Validation report will be finalised for consideration by the EITI Board.

³³ See <https://eiti.org/validation>

Resources

- Validation data collection file – [Stakeholder engagement](#)
- Validation data collection file – [Transparency](#)
- Validation data collection file – [Outcomes and impact](#)